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# Daily Report

# East Europe

FBIS-EEU-89-001
Tuesday
3 January 1989

# Daily Report
## East Europe

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## People's Assembly Meets; Alia, Others Attend

### Proceedings Begin 26 Dec

*AU2812130788 Tirana ATA in English
0730 GMT 28 Dec 88*

[Text] Tirana, December 28 (ATA)—The 4th session of the 11th Legislature of the People's Assembly began its proceedings on December 26, at 1700 hours. Invited to attend it were outstanding workers and cooperativists, working people of central departments, economic enterprises and various institutions of the capital and the districts, advisers, cadres of the mass organizations and militarymen.

The deputies and the invitees applauded enthusiastically when Comrade Ramiz Alia, first secretary of the Central Committee of the party and president of the Presidium of the People's Assembly and the other party and state leaders, Comrade Adil Carcani, member of the Political Bureau of the party Central Committee and chairman of the Council of Ministers; the members of the Political Bureau of the Central Committee of the party Besnik Bekteshi, Foto Cami, Hajredin Celiku, Hekuran Isai, Lenka Cuko, Manush Myftiu, Muho Asllani, Pali Miska, Prokop Murra, Rita Marko, Simon Stefani; the alternate members of the Political Bureau of the party Central Committee Kico Mustaqi, Pirro Kondi, Qirjako Mihali, and Vangjel Cerrava entered the hall.

The session was declared open by the chairman of the Presidency of the People's Assembly, Petro Dode, who proposed the agenda of the proceedings which was unanimously approved.

Then, the floor was taken by the chairman of the State Planning Commission, Niko Gjyzari, who submitted the report of the Council of Ministers "For the Realisation of the Plan of 1988 and the Main Tasks of the Draft Plan of the Development of the Economy and Culture for 1989."

Regarding the second item of the agenda, the floor was taken by Andrea Nako, minister of finances, who delivered the report of the Council of Ministers "For the Planned Realisation of the State Budget for 1988 and for the State Draft Budget for 1989."

In the name of the Permanent Commission of the Plan and Budget of the People's Assembly, the report was submitted by the chairman of the commission, the deputy Luan Muhameti.

At this, the proceedings of the first sitting ended. The second sitting opens on December 28, at 0800 hours.

### Session Ends

*AU2912130088 Tirana ATA in English
0730 GMT 29 Dec 88*

[Text] Tirana, December 29 (ATA)—The second sitting of the fourth session of the 11th Legislature of the People's Assembly opened on December 28, before noon.

The deputies and guests enthusiastically welcomed Comrade Ramiz Alia, first secretary of the party Central Committee and president of the Presidium of the People's Assembly, and the other party and state leaders, Comrades Adil Carcani, member of the Political Bureau of the party Central Committee and chairman of the Council of Ministers; the members of the Political Bureau of the party Central Committee Besnik Bekteshi, Foto Cami, Hajredin Celiku, Hekuran Isai, Lenka Cuko, Manush Myftiu, Muho Asllani, Pali Miska, Prokop Murra, Rita Marko, Simon Stefani; the alternate members of the Political Bureau of the party Central Committee Kico Mustaqi, Pirro Kondi, Qirjako Mihali, and Vangjel Cerrava.

Contributions began at this sitting to the reports of the Council of Ministers "On the Fulfilment of the Plan of 1988 and the Main Tasks of the Draft Plan of the Development of Economy and Culture for 1989" and "On the Planned Fulfilment of the State Budget for 1988 and the State Draft Budget for 1989."

The contribution being over, the deputies unanimously approved in principle, article per article and in general, the law "On the State Plan of the Development of Economy and Culture of the People's Socialist Republic of Albania for the Year 1989" and the law "On the State Budget for 1989."

Concerning the last item of the agenda, the floor was taken by Sihat Tozaj, secretary of the Presidium of the People's Assembly, who on behalf of the Presidium, submitted the report on the decrees issued by the Presidium of the People's Assembly.

The chairman of the Presidency of the People's Assembly, Petro Dode, made the closing speech. He stressed among others that the fourth session of the 11th Legislature of the People's Assembly successfully wound up its proceedings. With a lofty spirit of responsibility we examined the achievements in the country's development over this year and approved the law on the plan of the economic and cultural development and the law on the state budget for 1989.

The plan of the year 1989 we adopted, constitutes an important step regarding the application of the targets of the 9th party congress. It reflects in an all-sided way the orientations of the 6th plenum of the Central Committee of the party and the tasks deriving from the speeches and instructions of Comrade Ramiz Alia made at the party forums, at the Congress of Cooperatives, and in some districts.

During 1989, which is also the year of the 45th anniversary of the liberation, our entire people, under the leadership of the party with Comrade Ramiz Alia at the head, will enhance their mobilisation and determination to see to this great event with the best possible achievements in all walks of life in our country, to further our socialist victories.

### Improved Presentation of Consumer Goods Sought

*AU2812142288 Tirana ZERI I POPULLIT in Albanian 24 Dec 88 p 3*

[Ilir Grazhdani article: "More Imagination in the Aesthetic Presentation of Goods"]

[Excerpt] On a visit to the national folk culture exhibition, you see wooden articles designed with outstanding taste: spoons, flutes, goblets, pitchforks, and so forth, beautifully carved with decorations of every kind. You see an embodiment of Comrade Enver's appreciative dictum: "Our people, although poor, carved even their pickle jars artistically, showing culture and refined taste."

Then leave the exhibition and enter a store displaying common consumer goods. Look at the store window, the packaging, and then the goods themselves. What is your impression? Monochrome, almost illegible labels or no labels at all, packaging designed according to the standards of 20 years ago, flour and macaroni bags, bottles, jars, cardboard boxes, and so on. In general, brown paper and white cellophane predominate, and, in short, monotony of color and design. This is a fact, even though we all accept it as axiomatic that the tastes and demands of our citizens are rising, and that they have high aesthetic standards. As the fifth AWP Central Committee plenum pointed out, the time has come for producers to respond better to the tastes and demands of customers and all citizens.

Recently, there have been steps toward progress in this area. The Tirana glass enterprise, in collaboration with the Ali Kelmendi food combine, has been making efforts to change the design of bottles and labels. The Korce plastics enterprise has been changing the cellophane packaging of ready-made clothing, as has the Shkoder wire factory. Shkoder District in particular has been successful in presenting goods. These changes can be noticed in several stores. We can say that this is only the beginning. [passage omitted]

### Volume 63 of Hoxha's Works Published

*AU2912194088 Tirana Domestic Service in Albanian 1900 GMT 29 Dec 88*

[Text] Volume 63 of Comrade Enver Hoxha's Works has been published and put on sale. It includes material from December 1977 to March 1978, part of which is being published for the first time. This volume contains important political and theoretical guidelines on understanding the need for our country to develop economically—relying entirely on its own resources—and the implementation of this great principle in practice. Along with problems of invigorating the life of the party, the mass organizations, the management, the direction and independent development of the economy, and the technical-scientific revolution in our country, the volume also includes a range of analyses of political and economic situations in the world, and exposes the hegemonistic activities of the two superpowers, the [word indistinct] policies of the Chinese leadership, the general crisis in Yugoslavia, and other things. The volume is equipped with an index.

### Delegation Leaves for Cuban Anniversary Fete

*AU3012194188 Tirana Domestic Service in Albanian 1900 GMT 30 Dec 88*

[Text] At the invitation of the Cuban Government, a delegation of the People's Socialist Republic of Albania led by Rahman Hanku, member of the Presidium of the People's Assembly, left for Cuba today to take part in the celebration of the 30th anniversary of the victory of the Cuban revolution.

### Alia, Carcani Greet Castro on National Day

*AU3112201088 Tirana Domestic Service in Albanian 1900 GMT 31 Dec 88*

[Text] Comrade Ramiz Alia, chairman of the Presidium of the People's Assembly of the People's Socialist Republic of Albania, and Comrade Adil Carcani, chairman of the Council of Ministers of the People's Socialist Republic of Albania, have sent the following greetings telegram to Fidel Castro Ruz, president of the Council of State and of the Government of Cuba:

On the occasion of Cuba's National Day and the 30th anniversary of the liberation, in the name of the Albanian people, the Presidium of the People's Assembly and the Council of Ministers of the People's Socialist Republic of Albania, and in our own names, we send warm greetings to you and through you to the friendly Cuban people. On this important day in the history of your people, we wish them further success in their work for the development and prosperity of their homeland, and express the conviction that the relations of friendship and cooperation between Albania and Cuba will continually develop to the benefit of our two peoples.

### 'Alliance' of Soviet Perestroyka and Religion

*AU2712185388 Tirana ZERI I POPULLIT in Albanian 22 Dec 88 p 4*

[Article by Hulusi Hako, doctor of sciences: "Perestroyka in Alliance With Religion"]

[Text] Gorbachev's attitude toward and support for the church and religion in the Soviet Union are significant signs of the nature of perestroyka and its prospects in this country. The Kremlin leader quickly and candidly expressed his position and line on religion, taking the opportunist Khruschevite line of reviving and encouraging religious rites and practices, and even promoting and consolidating them. He has attacked and accused Stalin for allegedly aggravating church-state relations, and promises to infuse these relations with fresh vigor. This reassessment of the past seeks to justify the great role perestroyka awards to religion.

The pluralism and free competition of thought that the present Kremlin group publicize so strongly have nothing to do with socialism. They prepare the ground for the spread of every kind of antisocialist ideology, including even religion and clerical activity. Perestroyka cannot liberate people's creative energy and guarantee a springtime of the spirit, as is claimed; it cannot eliminate stagnation and conservatism, because religion and the clergy are expressions and typical symptoms of stagnation and conservatism, and are both a cause and consequence of it. One cannot talk about raising the intellectual level of the people when the parasite of religion inhabits people's spirits, and when the mind is racked and paralyzed by religious practices and dogma. Perestroyka claims in vain to end man's social alienation, because mankind has experienced no deeper and more massive alienation, and no greater distortion of the nature of the individual, than religious alienation, which is the greatest force for inertia and stagnation that can possibly exist.

It is totally cynical and deceptive to include among human rights and freedoms this primitive dogma that has violated and raped the consciousness of man, and in whose name millions of victims were massacred in the cells and on the pyres of the Inquisition. Religion remains an imposed practice, a political tool and method used by the exploiting classes and their states to prolong their own lives. The ruling revisionists use it in the same way.

Freedom of religion is large-scale treason to the human spirit, and is double treason when it is served up as "spiritual freedom." Religious circles welcome and support perestroyka, and the revisionists thus create the paradox of marching toward communism to the sound of church bells, despite Marx's belief that "Religion will disappear as socialism develops." The Soviet revisionists speculate at length with the word democracy and with Lenin and Lenin's name. "Now that Soviet society is becoming increasingly democratized," Gorbachev says, "more attention will be paid to freedom of religion..." However, this is a bourgeois conception of democracy. Lenin stressed the principle that "Democracy cannot be democracy when prayers are sent to God," that the "popular" conception of God is a form of darkness and ignorance, and that to call the idea that people have of God "democratic" is totally meaningless and worse than reactionary and bourgeois. The Leninist exhortation of "He who is no atheist and fails to fight against religion is no Marxist" speaks clearly and unequivocally against the revisionist line.

The Soviet leadership particularly stressed its alliance with the church on the occasion of the celebrations marking the one-thousandth anniversary of the introduction of Christianity into Russia in June 1988. The Soviet Government openly demonstrated its political enthusiasm for these spiritual shackles in which the tsars enchained the people during centuries of savage feudal rule, adding a peasant-enslaving church to a peasant-enslaving state. By taking part in these celebrations, the Soviet Government created the impression that this faith has taken deep root in the hearts of the people, has become one with their patriotic, moral, and humanitarian traditions and characteristics, and is an expression of Russian national identity. But to endow religion with such positive qualities and to identify it with the history of the people is unprecedented falsification. The celebration of the millennium of Russian Orthodoxy is merely a typical sign of Great Russian nationalism and chauvinism. The Soviet Government took this "jubilee" of the Orthodox faith to its heart, and sent the church a message recognizing and positively appreciating its qualities and its tasks for the future. Russian and foreign priests are very grateful for the appreciation of the chairman of the Supreme Soviet of the Christianization of Russia as an event of major importance in the history of Russian, European, and world culture, and welcomed the pinning of high Soviet awards on the chests of some religious leaders. In expanding its links with Western capital, the Soviet revisionists have reserved a special place for religious and church channels. The millennium of Russian Orthodoxy gave fresh impetus to this expansion, and particularly to "fraternal relations" with the Vatican.

Encouraging the church and spreading religion in the Soviet Union is also part of the decisive role that has been played by the superstructure in the revisionist counterrevolution, and has led to the creation of social relations and conditions which give rise to and require religious ideology. The revival and spread of this relic of medievalism is one of the most significant signs of the sociopolitical, cultural, ideological, ethical, and aesthetic crisis and degeneration of the entire ruling superstructure; it is a sign of its death-rattle, and a symptom that indicates increasingly clearly the spiritual decay and degradation of society. It is a rotten and bureaucratized state that ends up seeking support and political credit from the priests and from foreign and domestic church institutions. It is also indicative of the petit bourgeois spirit of the people in this society that, in the midst of crisis, despair, weariness, insecurity, and loss of faith in the future, they console themselves with the priests' vain and demagogic promises. Religion always makes its nest in the darkest retreats of human consciousness and attaches itself only to the vices and weakest aspects of the human character.

Like religion, revisionism is also a kind of opium, which becomes doubly soporific when combined with religion. Therefore, perestroyka has formed an alliance with religion.

## Economic Progress Report for 24-31 Dec

AU3112194588 [Editorial Report] Tirana Domestic Service in Albanian in its transmissions between 25-31 December carries the following economic performance report (sourceline of report given in parentheses):

The second year of the 5-year mass action to supply rural areas with piped drinking water has been fulfilled according to the plan, with the construction or renewal of 336 water supply systems. (1900 GMT 30 December)

## Leaders' Public Appearances for 24-30 Dec

AU3012201288 [Editorial Report] Tirana Domestic Service in Albanian in its broadcasts between 24-30 December reports the following public appearances of Albanian leaders (sourceline of each report given in parentheses):

Ramiz Alia, AWP Central Committee first secretary; Adil Carcani, AWP Central Committee Politburo member and chairman of the Council of Ministers; Muho Asllani, Besnik Bekteshi, Foto Cami, Hajredin Celiku, Lenka Cuko, Hekuran Isai, Rita Marko, Pali Miska, Prokop Murra, Manush Myftiu, and Simon Stefani, AWP Central Committee Politburo members; and Vangjel Cerrava, Pirro Kondi, Qirjako Mihali, and Kico Mustaqi, AWP Central Committee candidate members, attended the proceedings of the People's Assembly in Tirana on 27 and 28 December. (0730 GMT 27 and 28 December)

Foto Cami, Hajredin Celiku, and Lenka Cuko, AWP Central Committee Politburo members; and Pirro Kondi and Kico Mustaqi, AWP Central Committee Politburo candidate members, attended a Pioneers' new year's party in Tirana on 29 December. (1900 GMT 29 December)

## Soviet Minister Katushev Pays Visit

### Received by Zhivkov, Atanasov

*AU2812164888 Sofia Domestic Service in Bulgarian 1600 GMT 28 Dec 88*

[Text] Comrade Todor Zhivkov received Konstantin Katushev, minister for foreign economic relations of the USSR, in Sofia a short while ago. Andrey Lukanov, minister of foreign economic relations, took part in the meeting.

Konstantin Katushev was also received by Council of Ministers Chairman Georgi Atanasov.

### Confers With Zhivkov

*AU2812191588 Sofia BTA in English 1833 GMT 28 Dec 88*

[Text] Sofia, December 28 (BTA)—Mr Todor Zhivkov, secretary general of the CC of the BCP and president of the State Council, today received Mr Konstantin Katushev, minister of foreign economic relations of the USSR.

They commended highly the results achieved in Bulgaro-Soviet economic relations which are based on the coordinated policy line of the BCP and the CPSU and of the two countries' governments pursuing an all-round increasing closeness between Bulgaria and the USSR and between their peoples.

It was reaffirmed that in the conditions of a deep-going revolutionary restructuring of socialist society, fresh opportunities open up to dynamize cooperation and to raise its efficiency. This requires a bold application of advanced forms of interaction between the economic organisations and the work forces. The integration should enlist the active participation of the millions of working people.

Mr Todor Zhivkov familiarized the guest with the restructuring in this country, with the immediate tasks which are being fulfilled in implementation of the July Concept and of the resolutions of the December 1988 Plenum of the CC of the BCP.

The meeting, which was held in a cordial and comradely atmosphere, was attended by Mr Andrey Lukanov, minister of foreign economic relations of Bulgaria.

### Signs 1989 Goods Protocol

*AU2812204988 Sofia BTA in English 1947 GMT 28 Dec 88*

[Text] Sofia, December 28 (BTA)—The promotion of mutually advantageous trade and the improvement of the economic relations of Bulgaria and the Soviet Union are the basic directions underlying in the Intergovernmental Protocol on Commodities Exchange and Payments between the two countries in 1989 which was signed here today. The protocol was signed by the ministers of foreign economic relations of Bulgaria and the Soviet Union, Mr Andrey Lukanov and Mr Konstantin Katushev.

In their statements made to representatives of the BTA, the two ministers expressed their satisfaction with the signature of the protocol. It is envisaged that the commodities exchange between the two countries should reach 13 billion roubles next year. The share of the new forms of economic cooperation—joint production, direct contacts between territorial units, etc.—will be doubled and will account for half a billion roubles. The Soviet Union will continue to deliver to Bulgaria oil and oil products, coal, natural gas, ferrous and nonferrous metals and other raw materials. Soviet machine tools, tractors, building and farming equipment, cars and trucks, ships and other equipment will also be supplied.

Bulgaria will continue her exports to the Soviet market by supplying machine-tools, hoisting and hauling machines, farming and electronic equipment, ships and ship equipment, as well as consumer goods. The two countries will continue to carry on cooperation in the construction and the modernization of nuclear and electric power stations and industrial enterprises in Bulgaria, in creating conditions for the exploiting of the Yamburg gas field and the construction of the gas line Yamburg—the western border of the Soviet Union and other big projects in the territory of the Soviet Union.

The protocol provides for mutual deliveries of machinery and equipment to be used in the implementation of the Complex Program on Scientific and Technological Progress of the CMEA Member Countries Covering the Period up to 2000.

Mr Georgi Atanasov, chairman of the Council of Ministers of Bulgaria, today received Mr Konstantin Katushev, minister of foreign economic relations of the USSR.

## Foreign Ministry Leaders Meet Soviet Diplomats

*AU2912205888 Sofia Domestic Service in Bulgarian 2030 GMT 29 Dec 88*

[Text] The traditional meeting of the leadership of the Ministry of Foreign Affairs with the members of the Soviet Embassy in Bulgaria took place in Sofia this evening.

At the meeting, toast speeches were made by Comrade Petur Mladenov and Viktor Sharapov, Soviet ambassador extraordinary and plenipotentiary to Bulgaria. He noted that 1988 would be remembered for the great positive changes in the international situation, which were primarily a result of the new political thinking and the peace-loving initiatives of the socialist countries. The immense importance of the restructuring and renewal in all spheres of life being carried out in the Soviet Union and Bulgaria was pointed out.

Toasts were proposed to the fraternal friendship between our countries and peoples, and good wishes were expressed for successes in creative work and for strengthening world peace and security.

The meeting, which took place in a cordial comradely atmosphere, was attended by Comrade Milko Balev, Andrey Lukanov, Nacho Papazov, Dimitur Stanishev, and other officials.

## LCY Orlandic-Led Delegation Ends Visit

*AU2812152988 Sofia BTA in English*
*1440 GMT 28 Dec 88*

[Text] Sofia, December 28 (BTA)—A delegation of the Central Committee of the League of Communists of Yugoslavia (LCY), led by Mr Marko Orlandic, member of the Presidium of the CC of the LCY, paid a working visit to this country from December 26 to 28 at the invitation of the CC of the BCP.

Mr Marko Orlandic was received by Mr Todor Zhivkov, secretary general of the CC of the BCP.

The delegation of the CC of the LCY held talks with Mr Yordan Yotov, Politburo member and secretary of the CC of the BCP, with Mr Milko Balev, Politburo member and secretary of the CC of the BCP, and with Mr Dimitur Stanishev, secretary of the CC of the BCP.

The sides briefed each other on the tasks of socialist renewal facing the Bulgarian and the Yugoslav Communists at this stage and discussed the state of Bulgaro-Yugoslav relations and the ways for their further promotion. They exchanged views on the situation in the Balkans, in Europe and the world.

The LCY delegation was familiarized in detail with the proceedings and the resolutions of the December 1988 Plenum of the CC of the BCP on the practical implementation of the July Strategy of the Bulgarian Communist Party for the achievement of a new quality of socialism in its further advancement in Bulgaria. For their part, the guests told the BCP officials about the work of the League of Communists of Yugoslavia in fulfillment of the resolutions of its 13th congress and of its first conference, as well as of the plenums held by the LCY Central Committee over the last few months.

The sides share the view that Bulgaro-Yugoslav relations are undergoing an upgrade development and that cooperation is expanding and diversifying in various fields. An emphasis was laid on the need to upgrade this cooperation to a qualitatively new level as required by the present stage of socialist renewal in Bulgaria and Yugoslavia and as dictated by the desires and the interests of the peoples of the two neighbouring countries. It was stressed that the BCP and the LCY, being vanguard political forces, assume great responsibility and play a significant role in that they are called upon to contribute to the stability and progress of contacts and cooperation in all spheres. The sides exchanged ideas and considered specific suggestions to raise the practical efficiency of the inter-party exchange. The two parties set forth their views on the so-called open questions in Bulgaro-Yugoslav relations and emphasized in this connection that these should not be a factor limiting cooperation. What is needed now is to enhance interaction and to build confidence between the peoples of the two neighbouring socialist countries, proceeding from the commonality of interests and from everything that draws and brings them together.

It was pointed out that an awareness of the need of peace and security in the present-day multifarious and interconnected world is gaining ground in the spirit of new political thinking. The nuclear war threat is receding, the first tangible steps towards an improvement of the international climate have been made, and confrontation in state-to-state relations is giving way to dialogue and mutually advantageous cooperation. In this context, the recent multilateral and bilateral processes in the Balkans are acquiring ever more definitely a new positive dynamism.

The CC of the LCY left the country today. They were seen off by Mr Dimitur Stanishev, secretary of the CC of the BCP.

## Orlandic Voices 'Satisfaction'

*AU2812194388 Sofia BTA in English*
*1856 GMT 28 Dec 88*

["Upgrade Development of Bulgaro-Yugoslav Relations"—BTA headline]

[Text] Sofia, December 28 (BTA)—A senior Yugoslav party official today expressed satisfaction with the promotion of Bulgaro-Yugoslav relations.

Mr Marko Orlandic, member of the Presidium of the Central Committee of the League of Communists of Yugoslavia (LCY), who left this country today after a four-day visit, told the press that the reforms under way in Yugoslavia and Bulgaria provide wide-ranging opportunities for a further all-round promotion of bilateral cooperation which has been making rapid progress over the last few years. There are realistic chances to diversify relations by introducing new forms in them, and this applies to inter-party contacts, too.

The guest, who visited here at the head of a delegation of the CC of the LCY, said that they had discussed, among other things, the open questions in bilateral relations, the settlement of which will give an impetus to cooperation in all fields. "I am convinced that both sides are interested in, ready for and capable of pursuing all-round, stable and friendly relations," Mr Marko Orlandic emphasized.

The member of the Presidium of the CC of the LCY also commented on the exchange of views held on matters concerning the development of the socialist countries, the international communist movement and the situation in the world. The sides had ascertained a proximity of their views and had expressed satisfaction that the processes of easing tensions increasingly extend to the Balkans. The Belgrade meeting of the ministers of foreign affairs of the countries in the region had contributed substantially to this end. The favourable inter-Balkan atmosphere should be strengthened and specified through various forms of multilateral cooperation.

Mr Marko Orlandic expressed special gratitude to Mr Todor Zhivkov for his contribution to the holding of the meaningful talks in Bulgaria.

### Filipov-Led Delegation Leaves for Cuba

*AU2912161488 Sofia Domestic Service in Bulgarian 1600 GMT 29 Dec 88*

[Text] A party and state delegation led by Comrade Grisha Filipov departed Sofia today for Cuba. The delegation will take part in the celebrations to mark the 30th anniversary of the victory of the Cuban revolution, at the invitation of the Cuban party and state leadership.

### Greetings Sent to Castro on Anniversary

*AU0301113889 Sofia RABOTNICHESKO DELO in Bulgarian 1 Jan 89 pp 1, 2*

[Text] Todor Zhivkov, general secretary of the BCP Central Committee and State Council chairman, and Georgi Atanasov, chairman of the Council of Ministers, have sent the following message to Fidel Castro Ruz, first secretary of the Central Committee of the Communist Party of Cuba [PCC] and chairman of the State Council and Council of Ministers of the Republic of Cuba:

Dear Comrade Fidel Castro,

On behalf of the Bulgarian people, the party and state leadership, and our personal behalf, we convey most cordial greetings on your country's national holiday—Liberation Day.

The victory of the Cuban 1 January 1959 revolution was a remarkable event that fundamentally changed Cuba's historic fate and greatly influenced the struggle of the nations for freedom and social progress. The successful development and heroic record of the first socialist state in the Western hemisphere became an inspiring example in Latin America and won the sympathy and admiration of all honest people throughout the world.

During the past 30 years, under the PCC leadership, the working people of the Island of Freedom, in close cooperation with the USSR and the other countries of the socialist community and, despite all difficulties, achieved remarkable successes in constructing and defending the new society. Today the name of Cuba is a synonym of revolutionary consistency and selflessness, international spirit, and firm belief in the future and the possibilities of socialism.

Socialist Cuba's high authority in the international arena is a result of its principled foreign policy in the name of peace and progress, its participation in the movement of the nonaligned countries, and its consistent struggle for new international economic relations and for justly resolving the complex issues of our time.

We note with deep satisfaction that sincere relations of friendship and fruitful cooperation between our parties, countries, and nations are constantly strengthening and expanding. The People's Republic of Bulgaria will continue to work to strengthen and enrich Bulgarian-Cuban cooperation and raise it to a qualitatively new level in accordance with the requirements of the present world realities, and for the benefit of our nations.

On the day of the glorious 30th anniversary of the Cuban Revolution's victory we wish you, dear Comrade Fidel Castro, and the people of fraternal Cuba new successes in the creative efforts to implement the decisions of the Third PCC Congress on further strengthening socialism in your country. We wish you happiness and prosperity during the new year 1989.

### Zhivkov's Closing Remarks at Plenum Summarized

*AU2812202088 Sofia BTA in English 1929 GMT 28 Dec 88*

["T. Zhivkov on the Resolutions of the December 1988 Plenum of the CC of the BCP"—BTA headline]

[Text] Sofia, December 28 (BTA)—The closing remarks made by Mr Todor Zhivkov, secretary general of the CC of the BCP and president of the State Council, at the session of the Politburo of the CC of the BCP held last week were released for publication. The session discussed the measures securing the implementation of the resolutions of the CC BCP Plenum of December 1988.

The remarks were focussed on matters related to economy, and it was pointed out that the transition to a company-based organization is the key problem which must be solved within a month or two in those economic sectors where there already are conditions for setting up companies.

At the session of the Politburo of the CC of the BCP it was underlined that a very important condition for the success of the future companies is their participation in the international economic cooperation.

Mr Todor Zhivkov pointed out that the work on making up a structural model of the Bulgarian economy must start at once. According to him, by the middle of 1989 new concrete programs for the development of the electronic industry, the heavy investment engineering and agriculture must be adopted.

By the end of March 1989 additional measures for the stabilization and the improvement of the home market must be taken and decisions must be adopted to improve the living standard of the people with the lowest incomes.

The task is set that a state decree on economic activity should be issued to be operative temporarily. At the same time, bills must be quickly made up and passed, their purpose being to regulate the different types of companies (state-run, cooperative, individual, joint, or with foreign participation), the wholly owned foreign companies' economic projects [words indistinct] in Bulgaria and the land-leasing system in agriculture.

Mr Todor Zhivkov underlined that the drafts of the laws must be put to a wide-ranging discussion. He recommended that new steps for solving some pressing problems of social and political character, for example, with regard to the birth-rate tendencies and the economic development of some parts of the country, must be taken. It was pointed out that the question of new salaries for teachers must be discussed.

At the session of the Politburo of the CC of the BCP the necessity of a synthesis of the economic and political reform was discussed.

Mr Todor Zhivkov stressed that all unnecessary units and structures which are not in conformity with the requirements of the company-based organization must be eliminated. This means to form new structures at the Council of Ministers the soonest possible. It was proposed that at the beginning of 1989 a congress of the self-managing organizations should be convened to set up an association of commodity producers. The president of the association will be a member of the government—a minister without portfolio.

In his speech Mr Todor Zhivkov said that to avoid any delay in the restructuring of the intellectual sphere, in February - March 1989 congresses of science, education and culture should be convened. They will form the new body of management of the intellectual sphere. The president of this body will also be a member of the government.

Mr Todor Zhivkov paid special attention to the question of the strategic and operative management of the self-managing organizations.

"Having established a certain structure—a company, an institute, etc.—and having elected and approved the people who will take over the strategic management, the managing membership will name the operative managers. Based on law, all bodies—executive ones and those of the general strategic management—will carry out their functions and fulfill their decisions, and nobody has the right to meddle with their work," Mr Todor Zhivkov underlined.

The restructuring of the supreme legislative body—the National Assembly—will be implemented on the basis of the amendments to be made to the Constitution.

Mr Todor Zhivkov raised the question of the style of work and the life style in the Bulgarian society, emphasizing they must be based on law. Upgrading the level of the BCP activity was said to be a task of paramount importance.

By restructuring the Fatherland Front, a new impetus will be given to the development of all municipalities and communities. Mr Todor Zhivkov suggested the setting-up of a committee of all political and public organizations, bringing together on a voluntary basis all public forces: the BCP, the Bulgarian Agrarian Party, public organizations and movements, religious communities, etc. Similar committees, without having their full-time officers, will have to be set up in all regions and municipalities. Mr Todor Zhivkov underlines that this will be a new, unique form made use of in Bulgaria to secure the unity of action of all public forces on the basis of socialist pluralism.

Winding up his remarks, Mr Todor Zhivkov set exact time limits for the fulfilment of each concrete task. It was pointed out that changes in the work of the party committees and their structure must be proposed by the end of March 1989. By the end of May 1989 proposals for separating the functions of the party and the state bodies must be put forward to the Secretariat of the CC of the BCP. The convocation of a plenum of the National Council of the Fatherland Front will be precipitated and measures for paving the way for the restructuring of the youth organization will be taken. By the end of 1989 a control plenum of the CC of the BCP will be called to analyse the implementation of the resolutions of the Plenum of the CC of the BCP held in December 1988.

## Zhivkov Delivers New Year Message

*AU0301075589 Sofia NARODNA ARMIYA in Bulgarian 1 Jan 89 p 1*

["New Year Message to Bulgarian People by Todor Zhivkov, general secretary of the BCP Central Committee and State Council chairman"]

[Text] Dear fellow countrymen, we stand on the threshold of the new year of 1989. Each one of us steps across this threshold with his own assessment of the past year and his hopes for the coming one.

It is well known that the years are not alike, that the time they measure is irreversible, and that progress marked by human deeds is also irreversible. For us, 1988 has a special value. This is the first year that passed under the revolutionary sign of the July Concept—a year of intense work, and a beneficial one for the labor invested for our economic advancement.

Despite the drought that struck again, the land repaid its industrious masters, those who provide our bread. Also profitable were the works of all those who invested their efforts and knowledge in promoting the intellectual growth of the nation. We accomplished feats that form an important contribution to the further progress of our native land, to raising the levels in all fields, and to improving the people's prosperity.

To all the creators of material wealth, to all who have devoted themselves to the intellectual and physical health of the people, to those who watch over our peaceful labor and life, I express cordial, new year thanks!

Now, at the end of this year and the beginning of the new year, we can say with even greater confidence that we will achieve; we will achieve without fail the goals that we have set ourselves in the material, social, and intellectual spheres; in the democratization of life, in the development of all creative forces and abilities, and in promoting man to new positions in labor and management.

We are filled with willpower, determination, energy, faith and optimism to advance along this path. We know that this path is not as easy and problem-free as a new year's party, but we are determined to march along this path, relying on the immense possibilities contained in our socialist society, on the nationwide will and aspiration for renewal, and on our concept regarding this renewal. We are aware that today we live and work under new historical conditions, different from those existing at the time when we were carrying out the socialist revolution and fulfilling the plans of the April Plenum of the BCP Central Committee in 1956.

The scientific and technical revolution and contemporary civilization have moved ahead. The productive forces and requirements have also moved ahead—far ahead. Progress, the people's happiness, and prosperity are impossible unless we take all this into consideration, unless we arm ourselves with new views and approaches.

This is the path along which we will further implement our socialist principles and ideals, on behalf of which generations of revolutionaries and builders of socialism have struggled in Bulgaria.

The recently held plenum of the BCP Central Committee drew up a purpose-designed program to fulfill this historic task. There is no doubt that 1989 will be one of the crucial years for our successful advance.

We are not alone on this path. The restructuring that we are accomplishing forms part of the renewal of socialism, which today is becoming one of the basic characteristics of the modern world. The great country of Lenin and her glorious Communist Party are playing a leading role in this process.

The past year of 1988 was, in the truest sense of the word, a year of peaceful advance, a year of successful steps toward the triumph of the new political thinking.

Precisely in 1988, Soviet-American relations, the relations between the socialist and capitalist countries in general, and international relations as a whole acquired a new perspective, a new qualitative content in the interest of all peoples throughout the world.

Comrades, from ancient times the new year festivals have brought together parents and children, distant and close relatives, friends, and comrades. At this solemn hour, I wish this to all of you: May the Bulgarian family, the core of our society, grow stronger; may the Bulgarian villages and towns strengthen and multiply; and may the ideological, moral, and civic virtues of the people become ever more strongly established!

May the coming year be a peaceful one. May the new year of 1989 bring well-being and prosperity!

I wish all of you health and happiness, prosperity on every Bulgarian day, a Happy New Year in 1989!

## Dzhurov Issues New Year Order of Day

*AU0201090089 Sofia NARODNA ARMIYA in Bulgarian 30 Dec 88 p 1*

["Order of the Minister of National Defense of the People's Republic of Bulgaria," Army General Dobri Dzhurov, member of the BCP Central Committee Politburo, on the new year]

[Text] Comrade soldiers, sailors, sergeants and petty officers,
Comrade officers, generals, and admirals,
Comrade engineers, technicians, workers and employees of the military enterprises and offices, soldiers of the Reserve Forces,

The year 1988 is approaching its end. It brought peace-loving mankind much hope in the struggle for nuclear disarmament and for a world without war. Thanks to the consistent and peace-loving policy of the USSR and the countries of the socialist community and the new political thinking, certain progress was achieved in decreasing international tension and strengthening confidence and cooperation among nations. The INF Treaty, which marked a new stage in the struggle for fully eliminating the nuclear threat in the world, was ratified.

Our people achieved new successes in socialist construction and in implementing the decisions of the 13th BCP Congress and the BCP national conference. Under the BCP leadership they are making a worthy contribution to strengthening the process of restructuring in the People's Republic of Bulgaria.

The past year was successful and fruitful for the soldiers of the Bulgarian People's Army. Closely rallied around the party's Leninist April line, they achieved high results in combat and political training and in raising the troops' combat readiness to a qualitatively higher level.

The labor collectives of the military enterprises and construction units are greeting the new year with high successes in labor.

The soldiers and commanders of the Bulgarian People's Army are greeting the 1989 new year deeply convinced of the necessity to work diligently to implement the high requirements of the Warsaw Pact military doctrine and to further increase the motherland's defensive power.

Comrade soldiers and commanders, military workers and employees, soldiers of the Reserve Forces,

I most cordially greet you on the new year. I wish you and your families good health, personal and family happiness, and new successes in your highly noble and responsible activity as armed defenders of the motherland.

In connection with the 1989 new year I ORDER:
A gun salute of 21 salvos to be fired at 0000 hours on 1 January 1989 in our capital, Sofia. Fireworks are to be set off in the oblast centers and the city of Sliven.

Happy New Year 1989!
Army General Dobri Dzhurov, minister of national defense.

## Air Force Chief Speaks on Combat Readiness

*AU2812192388 Sofia NARODNA ARMIYA in Bulgarian 27 Dec 88 pp 1, 2*

[Interview with Colonel General Lyubcho Blagoev, commander of the Air and Defense Forces, by Colonel Rangel Zlatkov: "Everything Depends on People"; date and place not given]

[Text] [Zlatkov] In connection with Armed Forces Day and through articles published in the press, our readers learned a lot about the everyday life of the Bulgarian fliers. We are sure that something can be said about the successes of the Air Defense and the other units. Can you describe generally the achievements of the units under your command?

[Blagoev] In fulfillment of the decisions of the 13th BCP Congress, the BCP national conference, and the 16th All-Army Party Conference, the troops of the Air and Defense Forces have achieved undoubted successes. They have carried out organizational, scientific-applications, and political work that is considerable in scale and complex in nature in order to fully grasp the aims, ways, and tasks of restructuring and its practical application in all spheres of army life.

The achievement of a qualitatively new standard in the training and combat readiness of the combat arms, units, and the troops as a whole has become a primary concern of the service and political organs and the party and Komsomol organizations. The commanders and headquarters staffs have resolved in practice a number of new issues relating to management, cooperation, and comprehensively guaranteeing the troops' combat activity. The main efforts are aimed at improving the professional training of the personnel, and mastering and applying new tactics to combat the enemy's high-altitude weapons, especially aerial targets flying at low and extremely low altitudes in conditions of strong radio-electronic disturbances. The units in which officers Kiryakov, Khristov, Petkov, Kamdzhalov, Georgiev, and Yanakiev are serving achieved more notable successes in this respect.

The achievements in the combat training of the aircrew, missile troops, and radar operators, and the high level of cohesion and training of the combat crews were vividly reflected in the good showing by the Air and Defense Forces in the big exercises last year. Illustrative of this are the excellent results achieved in tactical exercises with live fire by the units in which officers Kalev, Gutinov, Rusimov, Kamdzhalov, Chervenkov, and Manolov are serving.

The troops of the Air and Defense Forces are successfully carrying out the highly responsible task of alertly maintaining permanent combat watch to defend our country's air borders.

We have also achieved some results in mastering weapons and combat equipment, and fully utilizing their capabilities. The development and further improvement of the training-material base in conformity with the changes in equipment, as well as the wider introduction of microelectronics and software, contributed in part to this. Modern study rooms have been set up in many units, in which training models and simulators, devices developed by the units themselves, and microprocessor equipment and computers are operating. With the aid of this equipment, the commanders and specialists are developing different plans for combating the airborne enemy, playing operational and management games, and trying to bring the combat crews to a level at which they react automatically in the conditions of intense aerial combat.

Certain positive changes have occurred in socialist emulation. Now efforts are being mainly directed at achieving high quality indexes and perfecting combat activity. During the last academic year, the largest percentage of students who achieved distinction in combat and political training was in the units where officers Andreev, Nikov, and Kamenov are serving. These units are best maintaining the Leninist principles of socialist emulation: broad glasnost, comparability of results, and the introduction of leading experience.

These successes form the basis of the increased irreconcilability toward manifestations of stereotyped attitudes, formalism, and oversimplification in combat training, and growing service and party strictness with regard to those who rest on their laurels. Ideological education work is increasing its offensive to establish new military-political thinking among the personnel, fostering a spirit of high political alertness and constant readiness to defend the homeland and the achievements of socialism. A favorable effect is also being exerted by the expansion of democracy and glasnost and the widest possible use of public opinion among the troops to ensure fulfillment to a high standard of the tasks relating to training and combat readiness.

[Zlatkov] In many respects, the commanders, staffs, and political organs of the Air and Defense Forces have been the originators of interesting initiatives. Could you tell us something about the new features in the training and education of the soldiers in the Air and Defense Forces?

[Blagoev] It is well-known that the military doctrine of the Warsaw Pact member countries is strictly defensive in nature. Because of this, the combat readiness of the Armed Forces has to be at a level that ensures that any aggression is prevented. The Air and Defense Forces are playing a growing role in this context. One important feature in the training of commanders and duty combat crews is the development in them of such qualities as initiative, independence, and determination in raising the level of the troops' combat readiness and in taking decisions on combat actions that conform to the highest degree with the newly created situation. The training programs for crews have been improved in content. They embody the principle of the combined use of all the forces and means taking part in preventing and repelling aggression, paying special attention to the question of coordination prior to and during combat actions.

A further new feature in personnel training and education is that this training is being made more complex, with greater emphasis given to tactical training, as well as to joint operations in tactical exercises, in order to develop procedures for the integrated repulsion of enemy aggression by land, sea, and air in a complex air and land situation.

One characteristic of the Air and Defense Forces is that the systems, complexes, and weapons used are collective to a high degree. Simultaneous, precise, and synchronized operations by hundreds of battle stations are needed in order to successfully carry out the tasks. Under these conditions, the problem of activating the human factor and continuously bringing personnel training into line with the rapidly increasing requirements relating to combat readiness is particularly acute for us. In order to resolve the problem, we are trying to bring all the existing factors and mechanisms to bear, paying special attention to increasing the morale and psychological stability of the soldiers and making the widest use of the achievements of scientific and technical progress. The increasing role of these factors for combat readiness is proven by the software and hardware systems [programno-tekhnicheski kompleksi] for fully automating certain combat control processes that have been developed and introduced in the unit where officer Iliev is serving. The recent review of software products and software and hardware systems developed in the Defense and Air Forces demonstrated that in the coming years this sector will be one of the chief ways to perfect training and to raise the level of troop combat readiness.

Our attention is also being directed toward continually improving troop training methods, bringing them into conformity with the requirements of the new fighting equipment and weapons. We are paying special attention to the issues of improving the organization and conduct of flight training, and to raising the quality and effectiveness of all flying, day and night, of every completed exercise. To sum it up, our aim is to bring the forms into line with the changes in content that are taking place.

[Zlatkov] What weaknesses are there at the moment, and what forces and means are you using to combat them?

[Blagoev] There is no doubt about the results that have been achieved, but fairness demands that we admit that, in many respects, the results are not fully in line with the capabilities of the personnel and the modern fighting equipment. A number of weaknesses exist, and we must conduct an uncompromising campaign against them. One of them is the relative slowness of some of the leading staff in restructuring their style and methods of work. There are still some commanders who, despite their immense desire to successfully solve the tasks, do not understand sufficiently well that the result of their work is assessed not according to the number of measures planned and implemented, but according to the real contribution to improving the units' training and combat readiness, and the concern they show in practice for their subordinates.

Excessive striving for maximum results has caused no little harm in our previous work. In striving to win a higher assessment or gain a more leading position, certain commanders are creating simplified situations in their maneuvers and training exercises, and are not using to the maximum the capabilities of the available training equipment in order to create very complex conditions. We are conducting a campaign against poor planning and low criteria for assessing results, and are trying to raise the standard of operational efficiency, which is a crucial condition for carrying out all the set tasks in practice.

The spirit of the July 1987 Plenum of the BCP Central Committee demands that we boldly break with everything that is outdated and reject everything that stands in our way. However, we do not always display enough persistence and creative activity, enough desire to fully utilize the available reserves in order to solve the tasks to a high standard of quality, or sufficient strictness regarding the complete fulfillment by all official post holders of their functional obligations. At the present stage, control, assistance, and strictness have not become an active factor for ensuring the high quality of military labor and the complete, accident-free implementation by the soldiers of the requirements of the BCP Central Committee and the Ministry of National Defense. We have certain difficulties in resolving certain social and everyday problems, and have failed to finally overcome bad management and poor maintenance and preservation of the material and technical base.

To combat these weaknesses, we are relying on an arsenal of forces and means. We are stimulating the human factor, and trying to increase the role of public opinion among the soldiers. We are more widely utilizing the influence of the party, Komsomol, and trade union organizations and the auxiliary organs. Glasnost, concerning both positive developments and weaknesses, is a powerful tool to use against those who are guilty of negative manifestations and who have distanced themselves from the demands of our difficult, but noble profession. We can see major reserves for increasing the initiative and creativity of the cadres in mastering and persistently introducing everything that is new and progressive, and especially the achievements of scientific and technical progress. We are trying to strengthen the ties of the leading staff with the soldiers' collectives and to increase the commanders' ability to rely on the party and Komsomol organizations.

The main trend in our work is to raise the standard of discipline in the broadest aspect, in accordance with the complexity of the tasks. I am referring to a kind of discipline that makes everyone deeply grasp the meaning of his own tasks, train himself to the required standard, and carry out his functional obligations with the greatest degree of awareness.

In the last event, everything depends on people, and we are continually striving to intensify the activity of the service and party organs and leaderships in raising the personnel's political awareness and activity and in altering their attitudes toward the tasks they are resolving. It is in this sense that we comprehend the need to conduct concrete practical work with people in order to mobilize them to fulfill their obligations to a high standard, to give timely answers to the questions that worry them, and to create the required social and everyday conditions for normal life and work.

The soldiers of the Air and Defense Forces profoundly understand their patriotic and international duty, and are working tirelessly to raise the standard of the soldiers' training and combat readiness. This provides a guarantee that the tasks that face us during the current academic year will be fulfilled.

## Police Break Up Human Rights Society Meeting

*AU3112155088 Hamburg DIE WELT in German*
*31 Dec 88-1 Jan 89 p 5*

[Carl Gustav Stroehm dispatch from Vienna: "Bulgaria Is Acting Against Human Rights Activists"]

[Text] At the end of the year the Bulgarian authorities reacted with harsh police measures against the attempt of an independent "Bulgarian Human Rights Society" to hold a general meeting. In the town of Ikhtiman, uniformed policemen and plainclothes agents of the state security service took forcible action against approximately 70 people who gathered on 25 December.

Society Chairman Elija Minev, 70, was escorted by two policemen by train to his place of residence, the town of Septemvri, and kept there. The other people who had been arrested were released by the police only after several hours of interrogations.

Nevertheless, 8 hours later the Human Rights Society was able to hold its general meeting in another place; two-thirds of the members were present, and Minev was confirmed in his office. Writer Petur Manolov from Plovdiv was elected secretary. Five other people were appointed representatives for various parts of the country.

The independent "Bulgarian Human Rights Society" was founded in January 1988 and has meanwhile acquired more than 200 members—among them many people who have been persecuted for their political convictions in the past, such as historian Eduard Genov, who was sentenced to 3 and ½ years in prison in 1968 for distributing handwritten fliers against the occupation of the CSSR.

According to its program, it is the society's goal "to support the Bulgarian Government in observing the Helsinki Act and other documents on human rights which it has signed."

### Mitigating Penal Laws

In a petition to the parliament in Sofia, the society has called for the abolition of several sections of the Bulgarian Penal Code, which are described as "remnants of Stalinism" and as instruments for the political persecution of those who think differently.

When in October 1988 John Whitehead, U.S. deputy secretary of state, wanted to receive leading members of the society in Sofia, historian Genov and his family were expelled to Vienna.

### Sofia's "Offer"

Painter Dimitur Tomov from Mikhailovgrad was summoned by a high-ranking officer of the state security service and advised in a "friendly talk"—which, he said, was a mixture of persuasion and murder threats—to either publicly dissociate himself from the "Human Rights Society" or to apply for an exit visa to the West—or, as a third possibility, to remain in the society to write reports for the state security service for pay.

Tomov briefed a French journalist, who published a report on this issue in the QUOTIDIEN DE PARIS.

Already in November 1988, about 100 promient figures of Bulgaria's cultural life founded a "Club for the Support of Glasnost and Perestroyka in Bulgaria." The club, which in the meantime has gained several hundred members, calls it its "strategic main goal" to facilitate an "open discussion" about the pressing problems of Bulgarian society.

In this connection the programmatic declaration of the "club" lists the following: the economic situation and the people's standard of living, human rights and civil freedoms in Bulgaria, the topical demographic problems, the threat to the environment, and the "investigation of unsolved questions of Bulgarian history."

This last item of the program is particularly sensitive because it is a hardly concealed attack on the current Communist Party and state leadership under Todor Zhivkov. Since Zhivkov has been the leader of the party and the state for 35 years, he is to be blamed for most "unsolved questions" from this period.

## Roundtable Discussion on 1988 Events Held

AU2912141388 [Editorial Report] Sofia NARODNA ARMIYA in Bulgarian on 28 December on pages 1 and 4 carries a 7,000-word report on a roundtable discussion held at the newspaper's Editorial Board, entitled "1988—From New Political Thinking to New Political Actions." The discussion has been "organized and conducted by Colonel Rangel Zlatkov, NARODNA ARMIYA chief editor," and the following persons have participated: "Colonel General Atanas Semerdzhiev, first deputy minister of national defense and head of the General Staff of the Bulgarian People's Army; Lyuben Gotsev, deputy minister of foreign affairs; Petur Kozhukharov, deputy chairman of the Committee on Radio and Television and political observer of the Committee on Radio and Television; Nencho Khranov, BTA first deputy chief director; and Colonel Lyubomir Mikhaylov, NARODNA ARMIYA military-political commentator."

The participants have been asked to answer three questions: "What is the most significant international relations event in 1988?"; "What was the most important deed of the People's Republic of Bulgaria in 1988?"; and "Will political means prevail over the military-technical means in international relations?"

All participants list the Moscow summit meeting between President Reagan and Mikhail Gorbachev, and Gorbachev's speech at the UN General Assembly session as the most important events in 1988 international life. In this context Col Gen Semerdzhiev stresses the following: "We are trying to determine the central event. Perhaps not everybody fully agrees with me, but I think that 7 December, the day on which Mikhail Gorbachev read his speech at the UN General Assembly, was the most remarkable day in the 1988 political calendar. That speech was assessed as exceptional. Margaret Thatcher described it as fantastic. Indeed we all have reasons to highly assess that speech, whose scope was striking. There is no crucial issue of world development that was not mentioned in the speech. Not merely mentioned, but rather analyzed, while offering specific proposals aimed at resolving the issues.

"One of the most important parts of the speech was the section dealing with disarmament that contained the announcement on the unilateral significant troop reduction, which had not been demanded by anybody. It also posed the issue of converting the defense industry—an eloquent proof of socialism's inherent love of peace."

Asked by Col Rangel Zlatkov whether the Soviet decision does not violate the security of the USSR and the Warsaw Pact, Col Gen Semerdzhiev answers: "Mikhail Gorbachev's speech specifically addressed this issue: The USSR will not allow a situation in which it will find itself without sufficient combat potential, a circumstance that would allow the West to dictate its will. It was not by accident that Mikhail Gorbachev spoke about turning from rearming to reasonably sufficiency, which means to possess a combat potential sufficient to deprive the other side of the possibility to use force and military conflicts in its striving to impose its will and achieve its goals."

All participants agree that Bulgaria's participation in the Belgrade meeting of the foreign ministries of the Balkan states was the most important act of the country's foreign policy. Deputy Foreign Minister Lyuben Gotsev adds, "Bulgaria's participation and role in the Warsaw Pact and CEMA." Col Gen Semerdzhiev adheres to this opinion and points out that "the documents adopted by the Warsaw July meeting of the Warsaw Pact Political Consultative Committee marked great progress in implementing our policy of disarmament, strengthening peace, and establishing a comprehensive and reliable security system in Europe and the world." He also adds "the meeting of Comrade Todor Zhivkov with representatives on business circles in the West and East, and his speech on that occasion," was one of Bulgaria's most important acts in 1988.

All participants think that 1988 marked a turn from confrontation to dialogue, and that this tendency will continue in 1989. Col Gen Semerdzhiev predicts a transition to international relations based on a "balance of interests," and asserts that this transition would be accelerated by the "three key premises of the new political thinking: Recognizing the priority of universal values over class values; recognizing the group interests of separate states and alliances; and implementing the fundamental and universal principle of peaceful coexistence, while cleansing this concept of its previous contents, which included class antagonism; and applying the principle of the peoples' right to political choice: they themselves determine the character of their social and state system."

Deputy Foreign Minister Lyuben Gotsev describes himself as a "realist," and suggests that "in 1989 there could be some clashes, but simultaneously, it will be a year of dialogue which will produce mutually acceptable compromises."

At the end of the discussion Col Gen Semerdzhiev makes the following statement:

"I would like to say a few words about the recent conference of the Defense Ministers Committee of the Warsaw Pact Member States. At the conference, a statement was adopted to the effect that we would announce information on the Warsaw Pact Armed Forces at an agreed time.

"Both at the above conference and during the present discussion, the view was unanimously expressed that disarmament is a bilateral process. Our unilateral steps have a limit, and this is defined by the actions the West takes in response. One obtains the impression that whereas we are mainly concerning ourselves with the problems of strengthening peace and international security, NATO has directed its attention toward updating its conventional and tactical nuclear weapons. For this reason, the Warsaw Pact member states, while consistently and firmly carrying out the policy of restructuring our society and international relations, and adhering to the ideas of peaceful coexistence, will, at the same time, maintain their own combat potential at the level that will reliably guarantee their defense."

### Vienna Institute Comments on Economic Development

*AU2712100388 Vienna DIE PRESSE in German*
*27 Dec 88 p 9*

[Text] Vienna—Even though the Bulgarian economy has embarked upon a course of growth, problems are mounting. During the first 9 months of 1988, the national income (without agriculture) rose by 10.3 percent. According to the "members' information" of the Vienna Institute for International Economic Comparisons (WIIW), the imbalance in trade with the hard-currency countries has deteriorated further. Exports to the West increased by only 2.3 percent, while imports shot up by 18 percent.

This resulted in a trade balance deficit of $1,067 million compared with $800 million during the same period last year. The assets side of the balance sheet with the Third World also declined from $639 million to only $392 million. In trade with the CEMA states, however, the surplus was raised to a considerable 624 million currency leva.

The Sofia plan fulfillment report lists a number of deficiencies: too slow innovation, waste of fuels and energy, overly large stocks, low utilization of production facilities, and too low of a production in important goods.

Sofia has dared to make a courageous leap forward: Like Hungary, Bulgaria has liberalized private imports as well. This has broken the monopoly of the foreign currency chain Korecom. Now passenger cars can also be imported privately. However, there are still considerable restrictions on the Bulgarian citizens' access to hard currencies. At the same time, duties for some private imports and prohibitively high tariffs on the export of some consumer goods which are in short supply have been introduced.

Recently, a third exchange rate for Western currencies was introduced: While the trade exchange rate remains unchanged, the "preferential rate" (100 percent surcharge) will lose its importance, because now there is a rate for the purchase of foreign currency by foreigners and Bulgarians alike which is triple the trade rate. Ilse Grosser of the WIIW assumes that this measure will deal a blow to the currency black market.

## Official Comments on 'Kidnapping' of Diplomat

*AU0201105289 Prague RUDE PRAVO in Czech 30 Dec 88 p 7*

[CTK report: "Czechoslovak Diplomat Missing"]

[Text] Prague—According to Ivan Kulhanek, spokesman of the CSSR Ministry of Foreign Affairs, Vlastimil Ludvik, first secretary of the Czechoslovak representative office in Delhi, has been missing for several days. The search for him is being carried out with the close collaboration of Czechoslovak and Indian authorities. The circumstances of his disappearance and the results of the intensive search to date do not rule out the possibility of his having been kidnapped by forces which abused the territory of friendly India for this purpose.

## Jakes Begins Visit to Cuba, Nicaragua

*LD0101233089 Prague Domestic Service in Czech 2300 GMT 1 Jan 89*

[Text] Milos Jakes, general secretary of the CPCZ Central Committee, left by air tonight for an official friendly visit to the Republic of Cuba and the Republic of Nicaragua, which is taking place at the invitation of the highest party representatives of the two countries.

Comrade Milos Jakes is accompanied by Miroslav Stepan, member of the Presidium of the CPCZ Central Committee and leading secretary of the CPCZ Committee in Prague; Frantisek Hanus, secretary of the CPCZ Central Committee; Karel Julis, deputy federal prime minister and minister of metallurgy, machine building, and electrical engineering; and Miroslav Toman, first deputy Czech prime minister and chairman of the Czech Commission for Planning and Scientific- Technical Development.

The general secretary of the CPCZ Central Committee and his entourage were seen off at Ruzyne Airport in Prague by Gustav Husak, president of the Republic; Ladislav Adamec, federal prime minister; and other members of the Presidium of the CPCZ Central Committee: Karel Hoffmann, Jozef Lenart, Frantisek Pitra, Karel Urbanek, and Miroslav Zavadil; Josef Haman, candidate member of the Presidium of the CPCZ Central Committee; Jaroslav Hajn, chairman of the Central Control and Auditing Commission of the CPCZ; Marie Kabrhelova and Vasil Mohorita, members of the secretariat of the CPCZ Central Committee, and other representatives of the political and public life.

Shortly before 2400 the special plane took off for the journey to Havana.

### Background on Visit

*LD0201101689 Prague CTK in English 06345 GMT 2 Jan 89*

[Text] Prague Jan 2 (CTK)—General Secretary of the Czechoslovak Communist Party Milos Jakes left here last night for an official friendly visit to Cuba and Nicaragua at the invitation of the countries' supreme representatives.

Milos Jakes is accompanied by Presidium Member of the Czechoslovak Communist Party Central Committee and leading secretary of the Prague city party committee Miroslav Stepan and other officials.

The visit of General Secretary of the Czechoslovak Communist Party Milos Jakes to Cuba will contribute to the further development and deepening of the Czechoslovak-Cuban relations.

Czechoslovakia was among the first countries to recognize the revolutionary government of the Cuban Republic in 1959. Bilateral diplomatic relations, formally established in 1920, were upgraded to the level of embassies in 1960.

Since the beginning of the building of socialism in Cuba Czechoslovakia has been granting all-round assistance to the country by supplying it with equipment, technology and complete plants, and by training its personnel and experts. Czechoslovakia has been thus helping develop Cuba's economy and defend its sovereignty and independence against the enemies of its progressive development and isolation caused by the USA.

The all-round development of bilateral relations has been supported by frequent meetings of Czechoslovak and Cuban party and state representatives. The fraternal party and state contacts between the two countries culminated in 1972 by the visit of First Secretary of the Cuban Communist Party Fidel Castro to Czechoslovakia and of then general secretary of the Czechoslovak Communist Party Gustav Husak to Cuba in 1973.

Bilateral economic cooperation is a significant sphere in the Czechoslovak-Cuban relations. Cuba is Czechoslovakia's most important trade partner in Latin America after Brazil. Mutual trade turnover reached 350 million roubles at the end of 1987. Czechoslovakia exports to Cuba above all shaping machines and machine tools, lorries, textile, shoe-making and sugar industry machines, power industry equipment, textiles, malt, hops and beer, and imports especially sugar cane, fresh citrus fruits, concentrates and essential oils from citrus fruits, molasses, nickel, chrome ore and copper concentrate.

Very important for bilateral relations are supplies of Czechoslovak complete plants to Cuba. Since 1964, Czechoslovakia has exported more than 40 big complete plants to Cuba, thus sharing significantly in the development of the basis of an agreement on economic cooperation for 1986-1990, signed in Prague in May 1985.

Since 1979 Czechoslovakia has been training young Cuban workers in Czechoslovak industrial enterprises, above all in consumer and chemical industries, engineering, in the sphere of fuels and power indsutry. At present some 10,000 Cuban workers are in Czechoslovakia. Tens of Czechoslovak experts work in Cuba in the framework of the scientific and technological assistance. They are active above all in the sphere of geology, power industry, agriculture and health service.

Cultural cooperation has been developing on the basis of an agreement on cultural, educational and scientific cooperation signed in Havana in 1981, and a plan to this agreement for 1986-1990 signed in Prague in 1985.

### Arrives in Cuba

*LD0201171989 Prague CTK in English*
*1542 GMT 2 Jan 89*

[Text] Havana Jan 2 (CTK correspondent)—General Secretary of the Czechoslovak Communist Party Milos Jakes arrived here today for an official friendly visit at the invitation of the Cuban Communist Party leadership to take part in the celebrations of the 30th anniversary of the victory of the Cuban revolution and to confer with the country's supreme representatives.

He was met at the airport by Cuban Communist Party Politburo members, vice-presidents of the State Council and the Council of Ministers Carlos Rafael Rodriguez and Pedro Miret Prieto respectively and by member of the Communist Party Politburo and Central Committee Secretariat Jorge Risquet Valdes.

Milos Jakes is accompanied by Czechoslovak Communist Party Presidium member and leading secretary of the party Prague City Committee Miroslav Stepan, party Central Committee Secretary Frantisek Hanus, head of a party Central Committee department Michal Stefanak, Czechoslovak Deputy Premier, Minister of Metallurgy, Engineering and Electrical Engineering Karel Julis and Czech First Deputy Premier, Chairman of the Czech Commission for Planning and Scientific-Technological Development Miroslav Toman.

The Czechoslovak officials today visited the recently reconstructed Miguel Enriquez Hospital. In the evening, Milos Jakes together with other foreign guests will take part in the celebrations of the 30th anniversary of the Cuban revolution in the Karl Marx Theatre.

### Leaders Send Congratulatory Telegram to Cuba

*LD3012165388 Prague CTK in English*
*1535 GMT 30 Dec 88*

[Text] Prague Dec 30 (CTK)—Czechoslovak Communist Party General Secretary Milos Jakes, President Gustav Husak and Premier Ladislav Adamec today sent a congratulatory telegram to Cuban Communist Party First Secretary, President of the Council of State and the Council of Ministers of Cuba Fidel Castro Ruz on the 30th anniversary of the Cuban revolution.

The Cuban revolution has become a stimulating force for all peoples in the world fighting for real independence, national and social liberation, the telegram said.

The results achieved by the Cuban people in all spheres of economic and social life in thirty years of the building of socialism prove convincingly that the policy of the Cuban Communist Party is right and purposeful and confirm that the teaching of Marxism-Leninism is permanently valid. We appreciate Cuba's high-principled foreign policy based on the principles of proletarian and socialist internationalism and the principles of peaceful coexistence which considerably contributes to the relaxation of international tension and the strengthening of world peace, the Czechoslovak officials said in the telegram.

Revolutionary Cuba enjoys large international authority, it has won admiration and respect of all progressive forces in the world for its selfless support and assistance to the nations fighting for freedom and independence, against imperialism and neocolonialism, and for its activities in the Non-Aligned Movement consistently oriented at the strengthening of its progressive character, the telegram stressed.

### Direct Production Relations With USSR Set Up

*AU2312164388 Prague RUDE PRAVO in Czech*
*16 Dec 88 p 1*

["(zr)"-signed report: "Cooperation Between KARA Enterprise and Novosibirsk"]

[Text] Trutnov—A protocol on possible cooperation within the framework of direct relations was signed in Trutnov [date not given] by the representatives of the Agricultural-Industrial Committee of Novosibirsk Oblast and the KARA Trutnov state enterprise.

This agreement will be the basis of setting up a joint Czechoslovak-Soviet enterprise for fur processing; the enterprise is also intended to produce finished products to meet current requirements and standards. In order to enable both sides to get a clear idea of the possibilities involved in such cooperation, the Soviet side will make a pilot delivery of one train carload of treated sheepskins (i.e. about 5,000-6,000 skins) to the CSSR in exchange for finished products.

In order to speed up the realization of the entire project, and in order to get a clear idea of the requirements, exchanges of specialists and short-term work assignments to KARA in Trutnov are also envisaged. Another plan is to open a showroom in Novosibirsk.

All aspects of cooperation will be developed on the basis of long-term direct relations.

Another interesting aspect of the entire enterprising (and, in terms of economy, most advantageous) project is undoubtedly the fact that the meeting of the two sides has been mediated by a journalist—by Stanislav Vtorushin, Prague correspondent of Moscow PRAVDA.

### Contract for Diesel Engines Signed With USSR

*AU2912102788 Prague RUDE PRAVO in Czech 22 Dec 88 p 1*

[CTK Report]

[Excerpt] Martin— A contract on the delivery of diesel engines of the PA-4 type to the Belaz Zhodino enterprise, worth about Kcs500 million, was signed by representatives of the Martimex foreign trade organization and the USSR's Avtoeksport company of Moscow in Martin on Wednesday [21 December]. [passage omitted]

### CPCZ Greets KPD on Anniversary

*AU0201102489 Prague RUDE PRAVO in Czech 30 Dec 88 p 1*

["z"-signed report: "Congratulations on 70th Anniversary of the KPD's Emergence"]

[Text] Prague—The CPCZ Central Committee sent the SED Central Committee the following greetings telegram on the 70th anniversary of the KPD's establishment:

Esteemed comrades, on behalf of Czechoslovak Communists and of the people of our country we send you and all communists and working people in the GDR sincere comradely greetings and cordial congratulations on the 70th anniversary of the KPD's establishment.

The emergence of the KPD, based on the principles of Marxism-Leninism and proletarian internationalism, represents a significant landmark in the history of the German workers' movement. In the KPD the workers party has acquired a revolutionary leader in its fight against capitalist exploitation, fascism, and reaction, and for the vital interests of the working masses. In resolute clashes with the class adversaries of the proletariat, the KPD was forged into a Leninist party.

Basic socioeconomic transformations were carried out and great successes achieved in the GDR economy and all spheres of its social life under the leadership of the SED, which has followed the KPD's historical legacy. The socialist GDR has taken its place among the outstanding economically developed countries of the world. It has become a firm part of the socialist community and it is energetically contributing to the joint effort of socialist countries to achieve international detente, peace, and social progress in the world.

The successes of socialist construction in the GDR represent the fulfillment of the dreams of all those who founded the KPD 70 years ago and who linked their lives with its work—the dreams of all those generations of communists who have fought the complicated but victorious fight on the path toward socialist reality.

The CPCZ and SED are linked by close fraternal ties, deeply rooted in the revolutionary fight of Czechoslovak and German antifascists and based on loyalty to the principles of Marxism-Leninism and socialist internationalism, on our common goals of socialist construction, and on our interest in building a common European home. We are convinced that these relations will continue to successfully develop and intensify for the benefit of the people in our two countries and in the interests of socialism, progress, and peace.

We wish you, esteemed comrades, further successes in fulfilling the resolutions of the 11th SED Congress.

The CPCZ Central Committee also sent greetings telegrams on the 70th anniversary of the KPD's foundation to the DKP and SEW Central Committees.

### Experts Offered To Identify Pan Am Explosive

*LD3012181888 Prague Domestic Service in Czech 1800 GMT 30 Dec 88*

[Text] A spokesman for the Czechoslovak Foreign Affairs Ministry has issued a statement on reports by certain British and other media making a connection between the crash of the Pan Am aircraft in Scotland and unconfirmed speculation about the possibility that Semtex, an industrial explosive manufactured in Czechoslovakia, may have been used.

Czechoslovakia, he stated, once again stresses that it categorically condemns all acts, forms, and methods of terrorism and consistently meets the relevant international undertakings. We are also prepared, if this would help, to identify the explosive used, and to send Czechoslovak experts at any time to give an appropriate expert opinion.

### 'Invectives' Over Pan Am Crash Condemned

*LD3112102488 Prague CTK in English 0844 GMT 31 Dec 88*

[Text] Bratislava Dec 31 (CTK)—Who is to blame for the air crash, what was the motive—these and other questions are to be answered by investigators of the Pan Am airplane crash over south-west Scottish town of Lockerbie on December 21, the Slovak daily PRAVDA stated today.

"Terrorism is condemnable, especially when innocent people are dying. But what is most unserious is to accuse people or organizations, or even states of conspiracy and participation in this air catastrophe. The easiest way is to suspect political opponents, as some people are doing in this case. Invectives have been already used against Iran and Czechoslovakia, the alleged producer of the explosive, and the latest accusations are directed against a certain radical Palestinian organization, and Libya", PRAVDA said.

The search for a scapegoat blamed for a terrorist attack without any reliable evidence is just the shifting of one's responsibility to somebody else with the effort to win political capital for oneself. The investigation of such a tragical case must be based on serious principles, only verified data should be published, PRAVDA stressed.

### EEC's De Clercq's Talks With Husak Described

*AU2912090188 Prague RUDE PRAVO in Czech 22 Dec 88 p 1*

[Report by CTK and RUDE PRAVO staffer Ladislav Alster: "CSSR's Agreement With the EEC Significantly Expands Trade Relations; Comrades Milos Jakes and Gustav Husak Received Willy de Clercq"]

[Excerpts] [Passage omitted] CSSR President Gustav Husak received Willy de Clercq, member of the Commission of European Communities and commissioner for external relations and trade policy, at Prague Castle on Wednesday [21 December].

In a cordial talk they agreed on the value of the contribution of the agreement on trade in industrial products that was signed between the CSSR and the EEC in Brussels as a significant step toward developing mutual economic relations. In this connection, they noted that the traditions and prospects of economic cooperation between the CSSR and the individual EEC member states constitute a contribution to expanding Europe-wide cooperation, and at the same time expressed the conviction that this cooperation will intensify and will be extended to other spheres as well. [passage omitted]

Jan Sterba, CSSR minister of foreign trade, and Willy de Clercq spoke with Czechoslovak and foreign journalists in Prague on Wednesday about the significance of the agreement on trade in industrial products between the CSSR and the EEC, and its possible contribution to the further development of mutually advantageous economic relations.

On Monday [19 December] we signed a significant agreement, by which we made marked progress in the process of drawing closer economically and strengthening mutual trust, Jan Sterba said in the opening part of the press conference. The EEC countries account for 10 percent of our foreign trade, that is, for two-thirds of the trade with industrial capitalist states. The trade relations with the ECC countries are of almost irreplaceable value for our national economy. They have their traditions, and now, after the elimination of barriers, we would like to strengthen them markedly—within the limits of what is possible.

To one question, the minister replied that the elimination of the barriers and quotas envisaged by the agreement represents a $10 million boon to the CSSR. But it could be even more, because it has been estimated that the potential of the mutual economic cooperation between the CSSR and the EEC countries is being only utilized by only 20 to 30 percent thus far.

Willy de Clercq described the signing of the agreement and the follow-up meeting in Prague as a historical event and a positive deed for the development of future relations. The year 1988 is the year of the normalization of relations between CEMA and its member states on the one hand, and the EEC on the other. The EEC has already concluded agreements with the Hungarian People's Republic and the CSSR, and the conclusion of further agreements with CEMA states (with the exception of Romania) is being prepared. The strengthening of relations will be useful for both the Czechoslovak economy and the people of the CSSR, because not only will the provision of investments and technology increase, but deliveries of consumer goods as well. He said that this development has also been assisted by the progress of economic reform in the CSSR, and by the fact that Czechoslovak enterprises will be able to trade and deal with enterprises in the EEC countries as equals.

He rejected the thesis of some American newspapers on a closed-off "fortress Europe" as illogical and untruthful. The EEC is export-oriented, and therefore it must have adequate imports. A unilateral increase in exports while imports stagnate is, after all, not very possible, he said.

Asked what the EEC expects from this agreement, he replied, for example, a greater investment of West European capital in cooperation with Czechoslovak enterprises, the establishment of joint ventures, cooperation on third markets, and so forth.

Of course, the introduction of a common market in the countries of the Community by 1992 is the EEC's absolute priority task—everything else must be subordinated to this priority, said the EEC commissioner in reply to RUDE PRAVO's question about the applications for EEC membership by other countries. Thus far, only Turkey has applied for EEC membership, and the application is being studied, he said.

In conclusion, the commissioner agains stressed the great opportunities that have been opened up for the CEMA states, because—thus far—their trade relations with the EEC account for less than 7 percent of the EEC's foreign trade, whereas, for example, the EEC's relations with the EFTA states account for 75 percent. The EEC, with its population of 325 million, is a great and stable economic power. From this viewpoint, the conclusion of the agreement is a significant trade-policy document for both contractual sides.

### Official Assesses Trade Relations With EEC

*AU2912111588 Prague RUDE PRAVO in Czech 27 Dec 88 p 1*

[Ladislav Alster article: "Cornerstone of Normalization; CSSR-EEC Agreement Important for Near and Distant Future"]

[Text] The agreement on trade in industrial products between the CSSR and the EEC, which was signed in Brussels a week ago on 19 December, is our first agreement with the EEC which has a truly broad orientation, we were told by Ladislav Dobrovolny, director of the trade-political section for nonsocialist countries attached to the CSSR Ministry of Foreign Trade, who took part in the final part of the negotiations.

The EEC countries are traditional customers for the products of our glass industry, for costume jewelry, ceramics, some chemical products, textiles, products of the metallurgical industry, and other similar items. However, our trade with the EEC states in the eighties has had inadequate dynamism, among other things, precisely as a consequence of quotas and other restrictive measures. Whereas in 1980 its turnover constituted 21 billion foreign currency korunas—with exports and imports that were, on the whole, balanced—which at that time represented 13 percent of our total foreign trade, in 1985 it constituted roughly 25 billion foreign currency korunas (our imports amounting to 13 billion and exports amounting to 12 billion). This, however, was only 10 percent of our foreign trade at that time. It has been estimated that only 20 to 30 percent of our mutual potential is being utilized. Contained in the agreement on industrial products trade is a list of products which are not subject to restrictions, and a list of licenses in which trade can be conducted without quotas. In addition, the quotas that are still in effect can now be discussed, and we can apply for changes to them, whereas formerly any amendments used to be out of the question. The boon to our national economy in this respect has so far amounted to $10 million, and could be considerably higher in the future. The agreement aims at a gradual elimination of the remaining barriers, at the normalization of relations, and their sensible assessment, Comrade Dobrovolny stressed.

It is logical that the Czechoslovak side has also pledged to introduce measures to encourage its imports from the EEC by providing information on the main trends of the Czechoslovak economy's development and other data which could have an influence on the activity of companies of the EEC member states participating in our market. In addition to this, we will encourage the activity of these companies—for example, in connection with trade fairs, exhibitions, and similar events—which could lead to closer contacts between representatives of enterprises of the two sides.

It is precisely here that the importance of the agreement lies (which was concluded for 4 years, but its validity might be prolonged) for now and the immediate future. But perhaps a greater, one could say strategic, importance of the agreement lies in the fact that it envisages extensive, universal treaties between the CSSR and the EEC, and their conclusion at the best possible moment, when the new mechanism of West European integration—including the common integrated EEC market, which is to begin functioning in 1993—will already have begun to assume a clear shape. We must react to this development promptly and correctly.

The CSSR-EEC agreement on trade in industrial products came into being slowly and with difficulties—it took longer than 4 years. The representatives of the sides involved in the negotiations were exchanged several times, and there were plenty of obstacles. "I will provide at least one example," Ladislav Dobrovolny said. "The EEC interpreted the latest changes in the CSSR Government incorrectly, as a retreat from the economic reform. The negotiations were concluded only after Jan Sterba, CSSR minister of foreign trade, convinced the EEC representatives that the contrary is the truth, that what is involved is the strengthening and acceleration of the economic reform. To put it concisely, it was necessary to find a common language, and in this we have succeeded."

### Cooperation With EEC Discussed

AU2812080388 [Editorial Report] Prague RUDE PRAVO in Czech on 20 December and Bratislava PRAVDA in Slovak on 21 December carry commentaries on the CSSR-EEC trade agreement signed in Brussels on 19 December, stressing its political impact and the opportunities for increased economic cooperation provided by it.

The 550-word Ladislav Alster commentary in RUDE PRAVO is carried on page 7 in the "We Comment" column, and entitled "Document on CSSR-EEC Relations." Alster recalls that the trade agreement was signed on the basis of the joint declaration on the establishment of official EEC-CEMA contacts (signed on 25 June 1988 in Luxembourg), which also opened the way for establishing diplomatic relations between the EEC and individual CEMA states. The Brussels document "is certainly a significant step for us," he goes on to say, "since the EEC countries account for most of our commercial contacts with the developed capitalist states. On the other hand, during the last few years these relations have been stagnating, and currently there are many untapped reserves in CSSR-EEC cooperation." Noting that the EEC market offers a broad range of technically superior products, Alster points out that "we must naturally adjust the structure of our foreign trade in the Common Market countries to the demands and wishes of its consumers," but decidedly rejects "allegations that the CSSR has nothing to offer the EEC states. This is not true; we do have things to offer them. Of course, we must deal with tough competition, but this is only natural. Actually, we have certain advantages over the competition from certain countries—for instance, in shorter geographical distances. One could mention other advantages.

"But we want our mutual trade and cooperation with the EEC countries to develop without obstacles or various forms of discrimination," Alster concludes; "we want them to develop within the framework of GATT rules. They should make greater use of new forms of trade, based on the principles of mutual advantages, and they should contribute toward 'building our common European home.' In this sense the Brussels agreement has a considerable political significance."

The 500-word Jan Skoda commentary in Bratislava PRAVDA is carried on page 7 in the "Foreign-Political Note" column, and entitled "Businessmen and the European Home." Skoda begins by pointing out that the Brussels agreement "deserves to be treated with great attention," since it "in fact removes the present anomalies from the path of normal trade between our country and most West European countries." He wonders about the cause of this radical change in the Western approach, and continues: "Some people in the West claim that it is specifically the restructuring and democratization in the socialist countries which make it possible to view the development of mutual trade and economic relations from new angles. This is a rather simplified notion, although these phenomena have undoubtedly contributed toward changing the relations. However, in the last few years we were able to witness an unprecedented struggle to compete waged in the world economy by several centers of the capitalist economy." This, too, was why the EEC states began integrating their national economies into a single market, he states, but now every sales outlet is being fought for. In this context Skoda recalls the FRG businessmen's indignation over the bans on exports of certain Western goods to Eastern states. "The EEC-CSSR agreement which was signed in Brussels on Monday should not be the last of its kind," he says; "we have vast possibilities before us—not only in the exchange trade, but also in the sphere of higher forms of economic cooperation, such as mixed enterprises, industrial cooperation, or joint research and development organizations. The atmosphere of building a common European home, with which the West is also beginning to identify itself, provides good prerequisites for this. On the other hand, the signing of every such agreement by countries with different social systems enhances the trust which is so greatly needed, and this is then positively reflected when the solution of mankind's global problems is being decided upon.

"The interrelationship of European states is as lasting as their geographical unity. That is why we are attempting to place trade and other economic cooperation on firm foundations. In the future this will place increased export demands on our producers. At the same time we must welcome the other side's interest in trading with us, and we must adjust to the harsher conditions in the West European market. In any case, we will not lose, for our partners can offer us a great deal. However, the most important thing is that all this is in our common pan-European interests," Skoda concludes.

## State of CSCE Follow-Up Meeting Appraised

*AU2712184088 Bratislava PRAVDA in Slovak*
*21 Dec 88 p 7*

[Jozef Janto Vienna dispatch: "Vienna Negotiations To Continue Even Between the Holidays; Final Spurt Prior to Concluding the Talks?"]

[Text] Even yesterday's [20 December] session of the 35 delegations of European states, the United States, and Canada, which are taking part in negotiations of the CSCE follow-up meeting in Vienna, has brought no decision on when this meeting (which has lasted more than 2 years) will end. The fully revised text of the final document (submitted by the neutral and nonaligned states as far back as May 1988) should be completed only tomorrow [22 December]. Intensive work is currently going on to complete its final version, so that the text can be definitely assessed by the end of this month—because, in fact, the session will not be broken off during the days between the holidays; the negotiations will continue on 27-30 December and will then be resumed at the beginning of January. The delegations of the socialist countries are striving to avoid any unnecessary prolongation of the meeting, and the same stance has been adopted by several West European states.

The speech delivered Friday [16 December] by Ambassador Frantisek Dolezal, head of the Czechoslovak delegation, was met with a positive reaction at the follow-up meeting (apart from other things, he announced in it that the CSSR is stopping the jamming of radio stations maintaining a hostile attitude toward our state). Similar signals were received from the United States and Britain, but these participants in the talks still maintain a negative stance on Czechoslovakia's proposal to hold 1 of the 12 follow-up events in Prague. This concerns the economic forum, which should strikingly contribute toward developing East-West economic cooperation. The U.S. delegation is the only delegation to negatively view the proposed conference on human rights, which should be held in Moscow in 1991.

## Simplified Visa-Issuing With FRG, Austria

*AU2312163588 Prague RUDE PRAVO in Czech*
*17 Dec 88 p 7*

["zr"-signed report: "New Way of Issuing Czechoslovak Visa"]

[Text] Bonn— As of 1 January 1989, Czechoslovak authorities will begin issuing one-time 30-day tourist visas to citizens of a number of countries directly on one

Czechoslovak-West German border crossing point (Rozvadov-Waidhaus) and on three Czechoslovak-Austrian border crossing points (Dolni Dvoriste-Wullowitz, Hate-Klein Haugsdorf, and Bratislava-Petrzalka-Berg). Dusan Spacil, Czechoslovak ambassador to the FRG, said this at a press conference in Bonn on Thursday [15 December].

In that connection he noted that in respect to the FRG, this is a unilateral measure. Whereas a Czechoslovak visa for an FRG citizen is valid immediately after the issuance, the FRG visa for a citizen of the CSSR is valid only after 9 days.

### Joint Power Line With FRG Planned
*AU2812091988 Prague RUDE PRAVO in Czech*
*20 Dec 88 p 2*

["pp"-signed report: "Cooperation in Power Engineering"]

[Summary] Prague— In Prague on 19 December representatives of the Metalimex foreign trade enterprise, of the Czech power engineering plants national enterprise, and of the Bayernwerk share-holding company signed an agreement on the construction, operation, and use of a direct current connection between the CSSR and the FRG power systems. Construction of the 125 km long, 400 kv power transmission line should begin in 1990 and should be completed within 3 years.

### Ecology Meeting Proposed for Next March
*AU2912124688 Prague VECERNI PRAHA in Czech*
*23 Dec 88 p 1*

[CTK and "vp"-signed report: "Together in Ecology; CSSR Premier L. Adamec's Letter"]

[Text] Prague— Jaromir Johanes, CSSR minister of foreign affairs, received ambassadors of the Hungarian People's Republic, the FRG, the Republic of Austria, and charges d'affaires ad interim of the GDR, the PPR, and the USSR at Prague's Cernin Palace yesterday [22 December]. He handed them letters from CSSR Premier Ladislav Adamec, containing the proposal to hold a brief meeting of premiers of all states bordering Czechoslovakia, at which they would jointly assess the possibilities of effective international cooperation in the ecological sphere. The meeting would be held in Prague in the first 10 days of March 1989.

### Government Plenary Session of 21 Dec Detailed
*AU2912131788 Prague RUDE PRAVO in Czech*
*22 Dec 88 pp 1, 2*

[CTK report: "CSSR Government Convenes; More Than 1,100 New State Enterprises in the First 6 Months; Results of Checking Selected Investment Projects of the Eighth 5-Year Plan; Announcement on New Wholesale and Procurement Prices Approved; Government Instructs Minister of Labor and Social Affairs To Submit a Draft Decree on Conditions and Methods of Regularly Increasing Pensions by 30 September 1989; Message Sent by CSSR Premier to Heads of Governments in Neighboring Countries Approved"]

[Text] Prague—**The CSSR Government convened on Wednesday [21 December] for a plenary session. The first item on its agenda was a report on the results of the checks carried out in selected investment projects included in the Eighth 5-Year Plan.**

During the third quarter of 1988, a temporary special CSSR Government commission checked the listed projects already under construction as well as those slated for construction under the present 5-year plan. It inspected 308 of the 1,092 listed projects where construction work had already begun (or was planned to begin) before 30 June 1988. The budgeted costs of all checked projects amounted to Kcs102.2 billion. The construction work on 189 of them had already started (their budgeted costs amount to Kcs69.8 billion), and on 119 (with budgeted costs amounting to Kcs32.4 billion) is about to start.

With the participation of all the involved bodies (including investors), the performance assessment commissions appraised each construction project individually. Their decisions were primarily based on such criteria as the use of existing fixed production assets, the effectiveness of construction from the viewpoint of fast returns of the invested means, the provisions made for marketing products, the standards of technologies and products, the existing manpower resources, and 20-percent cuts in construction deadlines (compared with the valid norms). On projects slated for construction, the commissions verified whether the state enterprises are capable of financing construction work and utilization of the projects. Theirs was an extremely demanding undertaking—its scope is unprecedented in our national economy.

It showed us that more than 60 percent of all the projects already under construction, and roughly the same number of projects slated for construction, have various problems—mostly the traditional shortcomings which diminish the effectiveness of investments. Partial departmental and regional interests are still being pushed through in the selection and preparation of new investment projects. Instead of promoting modernization and reconstruction, the investors are mostly striving to expand the production base without, however, eliminating its ineffective and outdated facilities (as is essential). They demand an unrealistic manpower increase—48,000 new employees for the inspected projects. It is already obvious that at least 35 percent of the inspected production projects under construction will be commissioned for operations later than planned. The consequence will be an undesirable volume of uncompleted construction projects; in fact, during the first 9 months of 1988 this volume has increased 4 percent, and now amounts to Kcs172 billion. After discussing the results of the inspection in detail, the CSSR Government decided **to halt work on one project under construction and to cancel 10 projects slated for construction up to the end of the present 5-year period. It decided that work on the construction or preparation of 106 projects should continue, since they fulfill the set criteria. Construction or preparatory work may also continue on 113 more projects, provided they agree with the concept of structural changes**

**in our economy that is now under preparation (the investors will have to prove this to appropriate central agencies). The prerequisite of all preparatory or construction work on 54 more projects is that the investor must prove (by 31 January 1989) that the shortcomings seen by the government commission have been eliminated.**

The CSSR Government also stipulated that in 1989 work can start only on ecological construction projects, on comprehensive housing construction projects and projects affiliated with it, or else on modernization projects where the construction costs will not exceed 10 percent of the overall costs; the same applies to projects which are in line with the concept of structural changes in our economy (which is currently under preparation), provided they show an above average effectiveness, and all supplier facilities have been provided for them.

All projects slated for construction with budgets amounting to Kcs50 million and more (including those which are neither binding, nor centrally managed) will be checked by 31 May 1989. Both the State Commission for Scientific-Technical and Investment Development and the State Planning Commission have been instructed to check on how 50 more selected large projects now under construction are tied to the desirable structural changes.

The CSSR Government stressed that it will revert to the issue of capital construction and assess the results of the check in the middle of next year, and recalled that individual government members are responsible for investment development in their sectors.

**The second stage of remodeling the organizational structures of production-technical, scientific-research, and circulation bases in our national economy into state enterprises** will be completed by 1 January 1989. **Up to 1,130 state enterprises will be set up during this stage—73 of them in ministerial departments under federal management, the rest under the management of national governments.**

The proposed state enterprises which look likely to have problems with balancing the restructuring of wholesale prices or preparing a consolidation program will be set up later, by 1 April 1989.

The government has discussed and approved the final report on the comprehensive restructuring of wholesale and procurement prices, and approved the announcement of these prices by 1 January 1989. Almost 800 price lists, involving 494 production sectors, have been worked out and approved. The new wholesale and procurement prices account for 91 percent of national economy performance. The restructuring was meant to bring the prices closer to world market standards, as well as to unify wage taxes and their increases, apply uniform profit rates, and rationalize price relations. The government has decreed that the new prices and their relations and effectiveness from the viewpoint of our intentions in restructuring the prices should be analyzed during the first 6 months of 1989. If it is found that the set principles have not been adhered to, the appropriate price agency will either apply sanctions (according to price regulations), or else carry out price corrections. The changes in wholesale and procurement prices will not be reflected in retail prices.

Toward the end of last year, 193 economic organizations under central management showed losses of almost Kcs9 billion; for quite a few of them the losses had been planned (for instance in the fuel, power engineering, transportation, and communications sectors). However, some enterprises are working at a loss because of high production costs, inadequate application of scientific and technical knowledge, excessive inventories, sales difficulties, and an unclear production program. **The government has therefore selected 38 centrally managed enterprises working at a loss, and decreed that consolidation programs should be worked out for them and submitted by 31 March 1989.** The basic causes of insolvency of other organizations in the national economy are concentrated in these enterprises, and the consolidation programs should enable them to achieve financial equilibrium by the end of the Eighth 5-Year Plan.

One of the most serious problems of the Czechoslovak old-age pension system is that a calculated pension remains static throughout the period in which it is paid out. Up to this point the old-age pension system has reacted to changes in price development by one-time adjustments. **After weighing this situation, the government has now instructed the minister of labor and social affairs to present by 30 September 1989 a draft of a CSSR Government decree on the conditions and methods of regularly increasing pensions in view of wage increases and increases of other incomes from work (so-called valorization).** The government has approved the principles to be followed in preparing this decree. The first valorization of pensions is expected by 1 October 1989.

Following up its joint deliberations with the Presidium of the Central Trade Union Council [URO], the CSSR Government dealt with the draft measures aimed at **improving public passenger transport to work.** After analyzing the present situation, the government decided that in 1989-90 the 11- and 17-meter buses will be primarily used for public road transport and mass city transport organizations; it also instructed trolleybus deliveries in those years be increased, and the possibility of increasing imports of articulated buses be discussed. The appropriate ministers are to provide for priority deliveries of spare parts to public transport organizations and the Czechoslovak Automobile Repair Shops (CSAO) in the annual plans. Gradually, during the work on timetables for 1989-90 and 1990-91, the schedules of suburban trains must be tightened, and the operations of suburban railroad and bus transport better coordinated.

At the same time the government recommended to the URO chairman that the trade union agencies should vigorously support the measures adopted by the federal government, by the national governments, and by national committees for improving transportation to work, and also by making use of the buses belonging to trade union organizations, in an effort to aid public transport. The government has also requested the trade union agencies to refrain from asking for the allotment of new buses to them in the years 1989 and 1990.

The CSSR Government expressed its agreement with the realization of the project to use **rapid transit as the basic carrying system in mass city transportation of the capital Bratislava,** and its agreement that work on the construction of the first such rapid transit facility should begin.

The government also discussed and approved **the message sent by CSSR Premier Ladislav Adamec to the heads of governments in neighboring countries,** in which he informs them of Czechoslovakia's initiative in the issues of environmental protection in central Europe (which was presented to the 12th CPCZ Central Committee session), and in which he invites them to attend a working meeting in Prague. The government has charged the minister of foreign affairs with the task of presenting this message to the ambassadors of neighboring countries.

### Charter 77 Appoints New Spokesmen

*AU0101201989 Paris AFP in English 2009 GMT 1 Jan 89*

[Text] Prague, Jan 2 (AFP)—The Czechoslovak human rights group Charter 77 on Sunday appointed three spokesmen to authenticate all Charter documents.

They were named as Tomas Hradilek, 43, Dana Nemcova, 54, and Sasa Vondra, 27.

Mr. Hradilek, a farming technician expelled from the Communist Party in 1969, joined Charter 77 in January 1977.

He was one of the founding members of the Association of Friends of the United States (SPUSA), and the Movement for Civil Rights (HOS) set up in October.

Roman Catholic Ms. Nemcova lost her job as a psychologist after protesting against the arrest of dissident musicians, including the Plastic People band, in 1976.

One of the first Charter 77 signatories on January 1, 1977, she was given a two-year suspended sentence for membership of the Committee for the Defence of Unjustly Persecuted People (VONS), founded in 1978.

Mr. Vondra signed the charter in early 1987, and has contributed to the magazine of the Czechoslovak literary underground, REVOLVER REVUE.

He has been employed as a computer programmer after doing odd jobs in a museum and working briefly as a furnaceman.

He is a member of the Polish-Czechoslovak Solidarity group, and has been committed to closer co-operation between independent groups in Eastern Europe. The three spokesmen replace Stanislav Devaty, Milos Hajek, and Bohumir Janat.

Mr. Devaty last year lost his job at a farming cooperative for his dissident work.

### Biographical Data Published

*AU0201092489 Vienna KURIER in German 1 Jan 89 p 3*

["D.V." report: "The Three New Charter 77 Spokesmen; CSSR Pioneers for Human Rights"]

[Text] The CSSR civil rights movement Charter 77 has elected its three new spokesmen for 1989: Tomas Hradilek, Mrs Dana Nemcova, and Alexander Vondra. The three are courageous fighters for freedom and human dignity in the CSSR. Tomas Hradilek is currently working in the "M[illegible]ian Wood Processing Enterprises." He has drawn attention to himself through courageous activities: During the official 1987 May Day parade he unfurled a Charter 77 banner in front of the honorary platform of prominent political figures, which caused his immediate arrest. In June 1988, Hradilek filed a complaint for high treason against Central Committee Secretary Bilak with the prosecutor general because of Bilak's role in the invasion in August 1968.

Alexander Vondra, born in 1961, is the youngest Charter 77 spokesman to date. He is a computer programmer and publisher of the literary underground paper REVOLVER REVUE. He is a member of the new, young generation of civil rights activists in the CSSR.

Mrs Dana Nemcova, born in 1934, is a graduated psychologist. Mother of seven children, she is a practicing Catholic, and in 1978 cofounded the "Committee for the Defense of the Unjustly Prosecuted" (VONS). From May to October 1979, she was imprisoned because of her work for VONS and Charter 77.

### Two Prisoners of Conscience Released

*AU2912093288 Vienna DIE PRESSE in German 29 Dec 88 p 2*

[Text] CSSR—Just before Christmas two prisoners of conscience, civil rights activist Dusan Skala and Catholic priest Frantisek Lizna, were released from detention, pending trial in the CSSR.

## Husak Delivers New Year's Address

*LD0101145389 Prague Television Service in Slovak 1200 GMT 1 Jan 89*

[New Year's Address by President Gustav Husak in Prague—live or recorded]

[Text] Dear fellow citizens, esteemed comrades: On the threshold of the new year of 1989, I sincerely greet you all on behalf of our highest political and state organs and on my own behalf. I wish you and your families the year health and happiness throughout the year, success in your work and in your personal life.

The past year was evaluated at the 12 December session of the CPCZ Central Committee, which at the same time discussed the tasks and goals for this year and the coming period. This session—particularly in the report by Comrade Milos Jakes, general secretary of the CPCZ Central Committee, and in that of Comrade Ladislav Adamec, premier of the CSSR Government, and in the conclusions adopted there—critically and exactingly evaluated the path which we took in last year's political life, in the restructuring of the economy and society, and in the democratization and perfection of the political system. In setting out the tasks for further progress, we are aware of the complexity of restructuring, both in the economy and in the life of society. It is a long-term process in which, however, the time factor has an exceptional role.

In the conditions of the present stage of the scientific-technical revolution and the economic and social development linked with it, all socialist countries are looking for new ways, methods of work, and forms of management. We in Czechoslovakia are watching these processes very attentively, particularly that in the Soviet Union. We make use of those things which can be utilized under our conditions. The aim of our socialist society is the all-round development of man, securing his life and social certainties, and his dignified position as master in our country. The 17th CPCZ Congress set out the main task as the acceleration of socioeconomic development.

In the past 3 years, the social program adopted was often fulfilled; however, planned resources were not created proportionally to it. This is why we place such emphasis on increasing productivity, efficiency, and the quality of all work. Connected with this, it is unavoidable to increase our tempo, to implement structural changes in the economy, use progressive technology, and innovate products, to raise the technical level and quality of products, use resources better, and make use of the possibilities of the international division of labor, and the increasing competitiveness of our products on world markets. The acceleration of economic reform and the deepening of the democratization of the political system have these aims. We consider economic and social restructuring to be an unavoidable and irreversible process. It is the basic prerequisite for the qualitatively higher development of socialist society, the intensification of our economy, the overall perfecting of social relations, and meeting the growing material and spiritual needs of our people.

This requires the management organs at all levels and in all areas to take a highly responsible approach to the tasks which face us in this endeavor, in addition to the honest, consciencious, and quality work of every citizen. This is also the most reliable way to get better results in the socioeconomic development of society, to overcome more markedly the problems which unnecessarily make the life and work of the people more difficult.

The 12th session of the CPCZ Central Committee also decided to convene the 18th CPCZ Congress in May 1990. It will evaluate the development of our society and its prospects.

During the past year we comemorated significant stages in our national, state, and social life: the 70th anniversary of the creation of a joint state of the Czechs and Slovaks; the 50th anniversary of the shameful Munich agreement; the 40th anniversary of the victory of the working class and the working people in February 1948, which opened the way to the building of socialism; the 20th anniversary of the federal system of our state; and the 20th anniversary of the January session of the 1968 CPCZ Central Committee and the events which followed. We learn from all these anniversaries, whether good or tragic, on our further path in both internal and international affairs.

All of the past events show the close link between our internal life and world events. This is why Czechoslovakia so intensely supports all the processes which lead to understanding between states and nations, to detente and disarmament and to the strengthening of security and peaceful cooperation. Despite the continuing complicated and contradictory situation in the world, tendencies to move from confrontation to dialogue and cooperation, toward the peaceful solution of all world and regional problems, have begun to triumph in international relations. We fully support this development and actively contribute to it. Czechoslovakia implements the joint peaceful policy of the Soviet Union and socialist staes. In particular we welcomed the new proposals of the Soviet Union delivered last December by Comrade Mikhail Gorbachev at the UN session of New York. The aim of these proposals is the deepening of the process of improving international relations, the strengthening of trust between states and nations, the solving of the global problems of humanity. We and the whole world paid great attention to the unilateral measures of the Soviet Union to reduce the numbers of armed forces and arms, including the Soviet units on our territory. We are determined to develop all-round relations, particularly political, economic and cultural ones, with all the countries, regardless of social systems, on the basis of equality and mutual benefit. We are taking an active and innovative part in the continually wider international dialogue between states and differing social streams, which contributes to increasing trust, cooperation, and to the solving of the pressing questions of the present. We support a speedy end to the Vienna follow-up meeting, the early opening of talks on the reduction of armed forces and conventional arms on our continent, and a ban on chemical weapons and the gradual liquidation of nuclear weapons.

Above all, in the interest of deepening the process of all-European cooperation, we support the convening of a conference on economic, ecological and humanitarian problems.

Esteemed fellow citizens, comrades: At the beginning of the new year we are fully aware of the demanding and complicated nature of the tasks which face us. We have the conditions and strength, however, to successfully accomplish these tasks. This will depend on our joint honest work and responsibility.

I would like to thank all those who have contributed to the development of our society with conscientious work. At the same time, I greet our citizens abroad.

From the bottom of our hearts we greet the fraternal Soviet people, the nations of other socialist countries, and all friends of Czechoslovakia throughout the world.

Once again I wish you much health, happiness, and contentment, as well as success at work so that we succeed in our joint endeavors, so that our homeland, the CSSR, will continue to flourish. [playing of national anthem]

### Adamec Addresses Government-Trade Union Session

*AU2812121288 Prague RUDE PRAVO in Czech
20 Dec 88 pp 1, 2*

[CTK report: "Comprehensive Analysis of Wage Policy; Joint Deliberations of CSSR Government and Central Trade Union Council Presidium; Draft Government Decree on Labor Code Implementation Assessed; Further Development of Socialist Labor Brigades"]

[Excerpts] The CSSR Government and the Presidium of the Central Trade Union Council [URO] convened in Prague on Monday [19 December]. CSSR Premier Ladislav Adamec and URO Chairman Miroslav Zavadil delivered speeches at the opening of the session.

Since its very establishment, L. Adamec said at the beginning of his statement, the federal government has unambiguously professed its allegiance to the concept of being the government of the National Front. The 12th CPCZ Central Committee session supported the implementation of this principle as the political base of the contents and methods of the work carried out by the federal government. We consider our joint meeting an opportunity to establish a firm system of regular, businesslike, and truly effective collaboration. We are building on the experience which has been acquired, and we will continue to implement the well-proven practices. But here as well, we will be guided by the demands of restructuring and democratization. Our mutual relations also contain many aspects with which we must deal and which we must raise to a qualitatively higher level.

In our socialist society the state bodies and trade union agencies have common basic goals and a uniform mission. The purpose of our work is to do everything to provide material and cultural prerequisites for the happy life of our people as good managers, socially involved citizens, and politically and morally developed individuals. Our approaches to achieving this differ, as do our means and our possibilities of carrying this out. But this is a natural expression of the pluralism of our political system. However, the substance of our social system also provides possibilities for jointly seeking and finding mutually acceptable and generally beneficial, optimum ways out of situations. We are in favor of following a uniform course on all basic issues, in favor of conducting a frank and mutually critical and demanding dialogue, in favor of holding regular consultations and creatively assessing matters of bilateral interest without any inhibitions, stereotypes, uniformity, or formal unanimity. [passage omitted]

Next year, L. Adamec stated, inter alia, we want to work out (together with URO) a concept of a state family and housing policy, and to determine the extent of social consumption in state enterprises. It will also be essential to assess the division of labor and of authority between enterprise bodies, i.e. between the economy management, the trade union organizations, and the councils of working collectives. Likewise, it will be essential to reappraise both the working initiative and its orientation toward the final economic effect of production.

The government expects our present joint deliberations to yield new suggestions for deepening our cooperation, but also for resolving certain specific economic and social problems, L. Adamec stated in the conclusion of his statement. [passage omitted]

### Indra Chairs CPCZ Legal Commission's Meeting

*AU2912111288 Prague RUDE PRAVO in Czech
22 Dec 88 p 2*

["z"-signed report: "Constituent Meeting of CPCZ Central Committee's Legal Commission"]

[Excerpt] Prague— A constituent meeting of the CPCZ Central Committee's Legal Commission was held in Prague on Wednesday [21 December]. The meeting of the commission was presided over by its chairman, Alois Indra, member of the CPCZ Central Committee Presidium. In his opening speech he stressed that the main task of the Legal Commission is to help CPCZ Central Committee bodies implement the party's legal policy, actively contribute to formulating solutions, perfect the Legal Code, and to strengthen socialist legality.

The commission discussed the orientation of the content of its policy through the 18th CPCZ Congress, and its work plan in that period. The commission further assessed a body of measures aimed at improving the work of the Czech and Slovak legal profession to safeguard the rights of citizens and the interests of society. [passage omitted]

### Jakes Addresses Czech National Council Deputies

*AU2812133288 Prague RUDE PRAVO in Czech 22 Dec 88 p 1*

[Marie Koenigova report: "The Irreplaceable Role of Deputies; Comrade Milos Jakes Visited the Czech National Council"]

[Excerpts] Prague—This Wednesday [21 December] Comrade Milos Jakes, CPCZ Central Committee general secretary, visited the supreme representative body in the Czech SR, the Czech National Council. There he had a discussion with the members of the Council Presidium on the role and status of our representative bodies under the conditions of restructuring our society. [passage omitted]

Comrade Milos Jakes reacted to the deputies' questions and comments by stating that their views, suggestions, and comments, together with the rich experience acquired from working directly in the constituencies, are sufficiently representative and inspiring for the further work of the Czech National Council.

He stated that the most important tasks of the Czech National Council in the coming period will be legislative activity and the preparation and approval of laws which would make it possible to develop and fully implement the plans for restructuring our economic mechanism and fully developing socialist democracy. "These laws must be assessed from the broader viewpoints of society's needs, and their preparation should become a true school of democracy, enabling everybody to express their views. This applies to the preparation of the new constitution and of other documents; that is why we have set up legislative councils attached to the federal government and the national governments, as well as the Legal Commission of the CPCZ Central Committee. Likewise, both the knowledge of laws and the people's legal awareness must be improved. The people must be induced to bear greater responsibility, so that they will make use of their rights, but also consistently fulfill their duties. And here the deputies are playing an irreplaceable role—most of all in the places where they work," he stressed.

Milos Jakes then dealt with the problems of national committees. Their primary links must truly become self-management agencies, so that the sources of their incomes could be legitimately provided for, and so that they would be able to decide (on the basis of their economic independence) on what should be done within their territories. This is also connected with the overall structure of our national committees, which will be clarified and assessed within the restructuring process, so that we can find a way to achieve maximum expediency and expand the scope for the further development of democracy and the attainment of effective management.

The new thinking, which will take shape on the basis of restructuring, must be asserted everywhere and adopted by everybody, he continued. "However, we must also show the continuity of our development, so that the young people, can realize what we have achieved in this country, despite all the mistakes and shortcomings; so that they will also want to become involved, to become well-prepared for life, and to be involved in creating their further destiny, instead of feeling that they are mere objects in our care." He also spoke of the need to further expand the flow of information to the public, since the citizens are not satisfied with mere general statements, but want to be provided with specific data on specific issues and events. It is above all their deputies who must provide them with such qualified information.

"The Czech National Council and its leadership are successfully accomplishing the tasks stemming from their mission. In the coming period it will be necessary to toughen the demands on those whom you are guiding, including the Czech SR Government and other agencies. This control activity in particular is irreplaceable and must contribute toward our more rapid progress."

### Reshuffle of Party Cadres in East Slovakia

*AU2812145988 Bratislava PRAVDA in Slovak 22 Dec 88 p 2*

[Report by Bratislava PRAVDA staffer Jan Markovic: "Session of the East Slovak CPSL Regional Committee; the Ability of the CPSL Primary Organizations To Act Must Be Strengthened"]

[Excerpt] Kosice (our correspondent)— The session of the East Slovak CPSL Regional Committee which was held yesterday [21 December] discussed the fulfillment to date of the tasks of the development plan for the region's economy and the 1989 draft plan. The session was attended by Ondrej Saling, member of the Presidium and secretary of the CPSL Central Committee.

In the opening part of the session, Michal Spak, leading secretary of the East Slovak CPSL Regional Committee, submitted proposals for cadre changes, which had been approved by the East Slovak CPSL Regional Committee. Because of a long illness, Mikulas Ligus was released from the post of member of the Presidium and secretary of the East Slovak CPSL Regional Committee. Vladimir Tulej, until now leading secretary of the Bardejov CPSL District Committee, was approved for the post of member of the Secretariat and secretary for party work in agriculture. In connection with his being entrusted with a different function, Michal Balvircak was released from the post of member of the Presidium and secretary for party work in industry. Tibor Matyas, until now head of a department, was approved for this post and, at the same time, co-opted to the East Slovak CPSL Regional Committee. [passage omitted]

## Need for More Diversity of Opinions Viewed
*AU2912130688 Prague RUDE PRAVO in Czech*
*27 Dec 88 p 2*

[Vlastimil Bradac article in the "Notes" column: "When There Are No 'Votes Against'"]

[Text] In the debate at the 12th Federal Assembly meeting, deputy Anton Blazej expressed an opinion which should not be left unnoticed. "We will have to get used to the fact that in many attitudes, views, but in proposals regarding solutions as well, we will not be unanimous. This is natural and normal. On the contrary, the thing that is not normal and formal is unanimity, the fact that all of us are always "for"—none of our constituents can seriously accept that. Voting "against" is not voting against socialism. On the contrary, it is in the interest of socialism to seek diverse solutions on how to better, more effectively, and optimally resolve a given problem."

Why do we recall these words? Because they apply not only to the work of parliament, but have general validity. We have gotten used to too often automatically raising our hand "for" during many deliberations, without feeling personal responsibility for such "collective" decisions. Even today "voting against" elicits attention and astonishment. However, perhaps it is necessary to examine today the conduct of bodies and organizations, in which a forest of hands frequently goes up before the proposals emanating from the chairman's desk have even been heard to the end. Is this really a unanimous endorsement or a surviving routine? We should ask this question in quite a few quarters. The opinion voiced in the debate of the Federal Assembly is certainly worth examining from this same point of view.

## Newly Amended Labor Code Assessed
*AU2912122788 Prague RUDE PRAVO in Czech*
*27 Dec 88 p 1*

[Editorial: "New Labor-Legal Document"]

[Excerpts] At its December session, the Federal Assembly adopted an amended Labor Code, which will become effective on 1 January 1989. [passage omitted]

The fundamental principles of the amended Labor Code concern the socially desirable mobility of the labor force, its expedient placement and efficient utilization; and strengthening labor discipline, including the use of worktime and raising the quality of work. The principles stimulate the working people's participation in the management, control, and activity of an enterprise, and in creating conditions that foster this. They also encourage the acquisition and use of qualifications in individual professions, for which workers should be justly remunerated. And last but not least, they also pursue the strengthening of the labor-legal security of employees and their protection against risks arising from actions involving a labor court.

Some 150,000 suggestions were discussed, on the basis of which 36 regulations in the original draft were changed. [passage omitted]

The amended Labor Code affects the overwhelming majority of the working people, and therefore the demand that the greatest possible number of citizens express their opinions on it was justified, whether they were representing themselves alone or organizations. To a great extent this truly occurred; those who formulated the law definitely cannot complain about the lack of interest. The law will be published at the beginning of next year in HOSPODARSKE NOVINY and, in a great print-run, as a separate publication. [passage omitted]

The length of the period for notice of termination of the employment contract [vypovedni lhuta] was the most discussed subject. In the law it is established as 2 months for both sides, and an individual does not have to give a reason. All sorts of things were proposed in the discussion; most frequently that the notice of the termination period on the part of an organization providing employment be longer. Those who were proposing this substantiated this recommendation. There is concern that ranking personnel, above all direct superiors, might misuse their position and with the help of the amended Labor Code start, as the saying goes, settling private accounts with someone. However, that will not be so simple, especially since terminating a person's employment will require the consent of the trade union organization so that an employee will not be left alone in a possible dispute.

On the other hand, organizations will be able to part ways with slovenly employees or with people refusing to improve their qualifications, who rely on the fact that they have been working for an enterprise for a long time. However, precisely because an organization will not be able to make a decision on an individual without the consent of the trade union organization, this, at the same time, increases the responsibility of trade union functionaries. Therefore, the Labor Code truly ensures their protection. [passage omitted]

## Civil Defense Staff Discusses Disaster Measures
*AU2312163488 Prague RUDE PRAVO in Czech*
*16 Dec 88 p 3*

["(pal)"-signed report: "Protecting the Created Values"]

[Text] Bratislava—A 2-day meeting of the party aktiv of Civil Defense staffs and of the representatives of ministerial sectors and central agencies and organizations from all over Czechoslovakia, was concluded in Casta near Bratislava on Thursday [15 December]. The participants in the session devoted considerable attention to the resolution adopted by the CSSR Government Presidium this year, which set the tasks for ministerial sectors and agencies of state administration in protecting the health of the population in case of a breakdown of nuclear power facilities, even though their safety level is high.

## 'Manifestations of Pacifism' Criticized

*AU2812154788 Bratislava VECERNIK in Slovak 20 Dec 88 p 2*

["aro"-signed article in the "A Word on Events" column: "Combating Pacifism"]

[Excerpt] [Passage omitted] The contemporary manifestations of pacifism vary. One of them is the view that the socialist Army and military service are unnecessary as a consequence of overestimating the successes of the USSR's peaceful foreign policy to date, when under the influence of its attractiveness to the majority of the world's progressive people there also frequently resounds peace rhetoric from the Western media, which obfuscates the real intentions of imperialism. A different form of pacifism is the view that nobody threatens socialism, and from this arise attitudes which underestimate the importance of paramilitary education or demand shortening of the military service. There is also the view which refuses to see the causes, perpetrators, and initiators of the arms race and the real aggressors. Pacifist views are also manifested by rejecting the theory and practice of the defense of the socialist fatherland and the need to fight for social revolutions and social progress.

Real facts and the reality of the policy of the Western states, particularly of NATO, prompt us to carry out offensive ideological work so that we will not cease being vigilant, so that we will realize the need for unity between building and safeguarding socialism, and will maintain our defense at the level of reasonable sufficiency.

## State-Church Relations Need No Adjustment

*AU2312090788 Bratislava PRAVDA in Slovak 13 Dec 88 p 3*

[Eva Nova article: "History Has Taught Them Nothing; the Socialist State Is Counting on the Honest Work of Believers"]

[Excerpts] In the process of building the new social system, most working people have identified themselves with socialism and have energetically joined the process of building it. Today, in stating that a considerable part of our population (some 40 percent in Slovakia, and far more on a nationwide average) vows allegiance to the Marxist world outlook, and that the overwhelming majority of believers have come to recognize the basic values of socialism, we realize that it is essential to intensify the political and moral unity of all working people, and to continue to establish an atmosphere of necessary and creative cooperation between Marxists and believers in building our fatherland and defending world peace.

The current events in socialist countries are affecting a process of basic significance—the restructuring process. To quote Mikhail Gorbachev, it is a "leap forward in the development of socialism;" it follows up on the existing positive results of socialist construction, but (again quoting M. Gorbachev) it is a "specific form in the negation process, representing a complexity of complicated and demanding tasks." One of the essential tasks is to search for (and find) new stimuli, new approaches, and new principles for shaping the cooperation of people with a varied world outlook, both inside the socialist state and on a worldwide and all-human scale.

The task of intensifying the working people's political and moral unity is one of the most monumental tasks in restructuring. It must be pointed out that it is no new task, as the Slovak emigre clergy and the vestiges of clericalists in our country would like to claim. These circles are striving to present the principles of restructuring as unprecedented and revolutionary phenomena in the development of the socialist society. They want to misapply certain principles of restructuring, turning them into a new principle that the socialist state should respect. Within the framework of this, they say that the current practices in the cooperation between Marxists and believers are obsolete, and demand that they be changed in the name of restructuring. [passage omitted]

In July 1949 the central Vatican newspaper L'OSSERVATORE ROMANO published the interpretation of the papal decree, on the basis of which every member of the Communist Party, every person helping to implement its policy, or recognize or support it in any way whatsoever, was excommunicated. This meant a challenge for a direct confrontation—it was an expression of the wish to provoke an open conflict, which would have driven the socialist countries into a tight corner.

The church hierarchy was immensely stimulated by this; aware that it would also receive support from abroad, it embarked upon the path leading to an open rift with the people's democratic state. To quote Klement Gottwald, "Religion was not the main thing—religion was a mere pretext.... The entire struggle conducted by the church hierarchy against the people's democratic state under religious slogans was essentially a class struggle between the working people's masses, headed by the workers class, and the strata of expropriated owners from among the ranks of the church, which was closely linked (by its material property) with the defeated large capitalist landowners."

The following years showed us that the people's democratic regime enjoys the support of the broad masses of our working people, that it is not interested in liquidating religion via repressive administrative acts—that it was and is interested in cooperation for the sake of creating common values.

Up to this point church-state relations have been developing in this spirit and on the basis of these principles. If some people today wish to have these relations revised or corrected on the pretext that there is a new situation, they will find no rational reason in support of this. The state has stuck to the rules of the game—rules which have been formulated by both sides.

## New Church Dignitaries Elected in Slovakia

*AU2312171688 Prague RUDE PRAVO in Czech 16 Dec 88 p 3*

[CTK report: "New Representatives of Non-Catholic Churches"]

[Text] Bratislava—After the death of their representatives, two non-Catholic churches in the Slovak SR have elected new leading officials. The election synod of the Reformed Christian Church in Slovakia elected Eugen Miko bishop at its session in Komarno this Thursday [15 December]; and Jozef Brenkus was elected chairman of the Apostolic Church in Slovakia at the election conference held in Komarno on 10 December.

## Vltava River Polluted by Crude Oil

*AU2312155988 Prague RUDE PRAVO in Czech 16 Dec 88 p 3*

[CTK report: "Crude Oil Spilled Into Vltava River"]

[Text] Ceske Budejovice—According to an announcement by the Inspectorate of the Czech Water Economy Inspection in Ceske Budejovice, about 28,000 liters of crude oil have escaped from a tanker truck of the Benzina Tabor enterprise during a traffic accident which occurred near Rozmberk nad Vltavou in the Cesky Krumlov District on Thursday [15 December] at 0815. Most of it flowed into the Vltava river. Public firemen detachments from Ceske Budejovice and Cesky Krumlov have erected booms to contain the spilled oil in the Vltava river and, in cooperation with the Czech Water Economy Inspection in Ceske Budejovice, are now cleaning up the area.

## Leaders' Public Appearances for 15-20 Dec

AU2812104288 [Editorial Report] Prague RUDE PRAVO in Czech, Prague VECERNI PRAHA in Czech, and Bratislava PRAVDA in Slovak from 16 to 21 December report the following appearances of CSSR leaders (sourceline of each report is given in parentheses):

Prewar CPCZ members received high state decorations from Milos Jakes, with Jan Fojtik, Karel Hoffmann, Ignac Janak, and Karel Urbanek in attendance, in Prague on 20 December. (RUDE PRAVO 21 Dec 88 p 1)

On the occasion of his 85th birthday, Vaclav Koleno, member of the West Bohemian CPCZ Regional Committee, was presented the Order of Klement Gottwald by Milos Jakes, with Karel Hoffmann in attendance, in Prague on 15 December. (RUDE PRAVO 16 Dec 88 p 1)

On the occasion of his 70th birthday, Tomas Travnicek, former deputy chairman of the Czech National Front CC, received the Order of Klement from Milos Jakes, in the presence of Karel Hoffmann, in Prague on 20 December. (RUDE PRAVO 21 Dec 88 p 1)

Jan Fojtik bade farewell to Jozef Lenart at Prague Ruzyne Airport when the latter left for Italy on 16 December. (RUDE PRAVO 17 Dec 88 p 7) Fojtik presided over a statewide consultation of ranking personnel from the media on 19 December in Prague. (RUDE PRAVO 20 Dec 88 p 2)

Frantisek Hanus, CPCZ CC secretary, paid a visit to the Central Slovak region on 20 December. (RUDE PRAVO 21 Dec 88 p 2)

Miloslav Hruskovic, candidate member of the CPCZ CC Presidium, member of the Presidium and secretary of the CPSL CC, attended a meeting of Communist deputies of the Slovak National Council in Bratislava on 20 December. (PRAVDA 21 Dec 88 p 2)

Ignac Janak, CPCZ CC Presidium member and first secretary of the CPSL CC, addressed an aktiv marking the 40th anniversary of the Hungarian-language newspaper UJ SZO in Samorin on 17 December. (PRAVDA 19 Dec 88 pp 1, 2) He presented former high CPSL functionary Pavol Jurik the Order of Klement Gottwald in Bratislava on 20 December. (RUDE PRAVO 21 Dec 88 p 1)

Alois Indra, CPCZ CC Presidium member, received Tomas Travnicek in connection with the latter's 70th birthday in Prague on 20 December. (RUDE PRAVO 21 Dec 88 p 1)

Ivan Knotek, CPCZ CC Presidium member and Slovak premier, presented Frantisek Hatak, deputy chairman of the Slovak Committee for Planning and Scientific Development, the Order of Labor in Bratislava on 20 December. The same day he attended the swearing-in ceremony of the new Slovak culture Minister Pavel Koys and met with party and state representatives in Bratislava. (RUDE PRAVO 21 Dec 88 p 2)

Frantisek Pitra, member of the CPCZ CC Presidium and Czech premier, addressed a session of the Czech Government in Prague, date not given. (RUDE PRAVO 19 Dec 88 p 1) He attended a meeting of the Czech National Council in Prague on 20 December. (PRAVDA 21 Dec 88 p 2)

Miroslav Stepan, CPCZ CC Presidium member and leading secretary of the Prague CPCZ City Committee, inaugurated the first section of a shopping and service mall attached to the Kosmonautu subway station, and unveiled a monument to cosmonauts in front of the subway station, in Prague on 15 December. (RUDE PRAVO 16 Dec 88 p 2) He attended a gathering marking the 30th anniversary of the founding of the Na Zabradli Theater, in Prague on 16 December. (RUDE PRAVO 17 Dec 88 p 8) He presented a CPCZ CC Presidium's congratulatory letter to meritorious party member Jaroslav Griessl, in Prague on 15 December. (VECERNI PRAHA 16 Dec 88 p 3)

Jaromir Johanes, CSSR foreign minister, received newly appointed FRG ambassador Hermann Huber in Prague on 19 December. (RUDE PRAVO 20 Dec 88 p 2)

Miroslav Zavadil, CPCZ CC Presidium member and chairman of the Central Trade Union Council, received Tamara Kurtsenko, chairwoman of the RSFRS State Committee for Publishing and Printing Industry, in Prague, date not given. (RUDE PRAVO 20 Dec 88 p 2) He laid a wreath at the Antonin Zapotocky monument in Prague on 19 December. (PRAVDA 20 Dec 88 p 2)

## Talks Held With Poland on Access to Ports

*LD3012201488 East Berlin ADN International Service in German 1800 GMT 30 Dec 88*

[Text] Berlin (ADN)—Further talks between GDR and Polish People's Republic experts on the problem of the delimitation of sea territories in the Oder bight took place in Berlin on 28 and 29 December. The subject of the discussion was detailed questions in connection with granting free and direct access to the Szczecin and Swinoujscie ports to the open sea via the existing and used approach which enables passage also for ships with greater draught.

Views on the delimitation of territorial waters and fishery zones as well as the continental shelf were exchanged. An approximation of standpoints was achieved during the talks. Both sides agreed to accelerate work on a relevant contractual settlement. The talks between experts will be continued in the near future.

## Honecker, Gorbachev Exchange New Year Greetings

*LD0101223989 East Berlin ADN International Service in German 1844 GMT 1 Jan 88*

[Text] Berlin (ADN)—Erich Honecker, general secretary of the SED Central Committee and chairman of the GDR State Council, exchanged warm greetings and congratulations on the occasion of the new year with Mikhail Gorbachev, general secretary of the CPSU Central Committee and chairman of the Presidium of the USSR Supreme Soviet. Erich Honecker also exchanged new year greetings with the representatives of the other socialist countries, with the heads of state and government of numerous other states, and with leading representatives of international organizations. He exchanged new year greetings with leaders of communist and workers' parties, other friendly parties, and with leading representatives of national liberation movements.

Willi Stoph, chairman of the GDR Council of Ministers, and the government heads of the other socialist countries and other countries congratulated each other on the new year.

Horst Sindermann, president of the GDR People's Chamber, exchanged new year congratulations with counterparts in numerous countries.

## Communist Party Marks 70th Anniversary

### Honecker Attends Celebration

*LD2912195688 East Berlin ADN International Service in German 1509 GMT 29 Dec 88*

[Text] Berlin (ADN)—A festive event staged by the SED Central Committee is taking place at the Deutsche Staatsoper in Berlin to mark the 70th anniversary of the founding of the Communist Party of Germany. Erich Honecker, general secretary of the SED Central Committee and chairman of the GDR State Council, is making a speech to commemorate this historic event.

The participants at the festive event include the collective of the SED party leadership, delegations from the DKP and the Socialist Unity Party of West Berlin, and chairmen of the parties and mass organizations working with the SED in building advanced socialist society in the GDR. Meritorious veterans of the German workers' movement, other members and candidate members of the SED Central Committee, members of the Council of Ministers and the State Council, and other GDR public figures have taken their seats in the Staatsoper Hall. The GDR national anthem opened the festive event in the historic building in Unter den Linden.

### Honecker Speech at Ceremony

*AU0201183589 East Berlin NEUES DEUTSCHLAND in German 30 December 88 pp 3, 4*

[ND headline—"What Was Started 70 Years by the Founders of the KPD, Has Found Its Culmination in the Creation and Growth of the GDR," speech by Erich Honecker, general secretary of the SED Central Committee and chairman of the GDR State Council, given in East Berlin on 29 December at a festive event to mark the 70th anniversary of the founding of the KPD.]

[Text] Dear comrades, dear friends, esteemed guests:

Seventy years ago, just a few streets away from here, the Communist Party of Germany was founded in the banqueting hall of the Prussian Chamber of Deputies. The hot breath of the revolutionary struggles surrounded the hour of birth of the revolutionary party of the German proletariat. A decision of historic importance was made. The Spartacus and other leftists of the German labor movement joined together in a firm militant alliance.

From the first day, the KPD stood alongside the party of Lenin. In a telegram to the Soviet Government, the founding party congress sent the most sincere greetings of the KPD to the Russian Soviet republic, to the Russian fellow fighters against the common enemy of the oppressed in all countries. "The knowledge that all your hearts are beating for us gives us power and strength in our fight," the telegram said. (footnote 1) (Protocol of the Founding Congress of the KPD, Berlin 1985, p 105)

From the outset the KPD saw itself as an internationalist party, allied in solidarity with the fighters for social and national liberty throughout the world. In the great class battles between the two world wars, the Communists were guided by the ideals founded by the greatest sons of the German people, Karl Marx and Friedrich Engels.

The KPD embodied the alternative to imperialism, fascism, and war. It prepared the way for the fundamental progress in German history that was achieved almost 40 years ago with the founding of the GDR. That for which the founders of the KPD gave their lives, and for which the communists and their alliance partners in the fight against fascism and war made immeasurable sacrifices is today being fulfilled in our socialist workers' and peasants' state, the GDR.

The KPD was created in the middle of the battles of the November revolution. The November revolution—a truly popular revolution against imperialism—was to that point the greatest revolution in Germany history. It expressed the essence of our century of revolutions, of fundamental changes in the history of mankind. It was part of that wave of revolutons that began with Red October in Russia in 1917; it reflected above all the strong influence of this, and for its part gave an impetus to revolutionary strivings in other countries.

The uprising of millions of German workers, soldiers, and sailors swept away the Hohenzollern monarchy and the other German dynasties; forced other important political changes; and radically altered the ideological and moral situation in the country. Above all, the revolution put an end to World War I. It was a real deed of peace. In the form of workers' and soldiers' councils it brought forth the strongest democratic movement up to that time, which went far beyond the bounds of bourgeois democracy.

However, the chance of pushing through to a type of "democracy that is not a betrayal of the people," of which Rosa Luxemburg spoke in her writings, to a true democracy which consists of "equipping the cohesive mass of working people with all political power," was thwarted. (footnote 2) (Documents on the History of the SED, Vol 1, 1847 to 1945, Berlin 1981, p 176) The imperial generals and monopoly capitalists were able to secure the support of the leaders of social democracy and the trade unions through the agreement with Ebert and the partnership agreement. The opportunity was smashed by the counterrevolutionary Freikorps with the force of arms; it spent itself in the bullets of the capitalist troops, whose campaigns of terror trailed from the Berlin "newspaper district" and Franzoesische Strasse to the Ruhr region and Munich, to which the KPD leaders Karl Liebknecht and Rosa Luxemburg fell victim in January 1919, Leo Jogiches in March, and Eugen Levine in May.

Even the most brutal terror could not stifle the fire ignited by the revolution. Decisive for its continuation was the establishment of the Communist Party of Germany at that time. With the founding of the KPD, Karl, Rosa, and their comrades drew the consequences from the bitter experience that despite any amount of revolutionary fervor and favorable timing, the working class cannot win if a revolutionary Marxist party is not fighting at its helm. At the same time they secured the continuity of the revolutionary workers' movement in Germany from the time of the Marxist alliance of communists, and preserved the revolutionary traditions of the party of August Bebel and Wilhelm Liebknecht. They laid a stable foundation for the party, which confronted the demands of the new epoch of world history introduced in Germany with Red October, and created the most important conditions for ensuring that the German working class gained the necessary strength to successfully utilize future opportunities for social renewal.

"We are again with Marx, under his banner," (footnote 3) (Protocol of the Founding Congress of the KPD, Berlin 1972, p 202) Rosa Luxemburg stated at the party congress in pushing through the KPD's program.

Looking far ahead, that program described the socialist transformation as "the most massive task ever to fall on a class and a revolution in world history." (footnote 4) (Program of the KPD. In: "Documents on the History of the SED," Vol 1, Berlin 1981, p 172) Only in such a society are racial hatred and subjugation rooted out. Only when such a society is realized will the earth no longer be defiled by genocide." (footnote 5) (ibid, p 171 ff) These striking principles, marked by the humanism of the working class, have lost nothing of their validity over the decades.

The KPD characterized the goal of the party—socialism—as a society in which political power lies in the hands of the workers and farmers, where the most important means of production are social property, and where the exploitation of man by man is eliminated. It knew that in order to ensure the implementation of basic human rights for the workers, the right to a life in peace, the right to work and to a humane existence, and to ensure them political freedom and to enable the creative formation of their personalities, it is necessary to reorganize society in a revolutionary way, to crush the bourgeois state authorities, and establish a state for the working class—a state where people's rights do not remain on paper but are practiced daily.

What the small, but resolute and convinced-of-their-cause band of the founders of the KPD started 70 years ago found its culmination in the development and growth of the GDR. It is the irrefutable practical proof of the correctness of the conviction of the German Communists that the lessons of Marx, Engels, and Lenin can become reality even here in the heart of Europe. It is the testimony of the viability of the theoretical, ideological, and political foundations which the founders of the KPD laid.

If one takes a look at the history of the KPD, then the deep justification of Thaelmann's sentence, "The Communist Party does not know of any party interest which is second to the class interest of the worker," proves itself. (footnote 6) (Ernst Thaelmann: Forge the red unity front! Fight with us for your demands! In: "The Red Flag" (Berlin) No 219 of 29 November 1931) This has remained valid and will continue to remain valid. Our party program is imbued with it.

This reliable point of reference of communist policy preserved itself in the November revolution, in the class struggles of the Weimar Republic, in the resistance against the Fascist barbarism and in the antifascist new beginning, and since then in each of our steps. The fact that the KPD always adapted itself to the interests of the working class and the other workers and never deviated from this, was, together with the insight into the class character of political power as well the knowledge of the significance of a steadfast attacking party, connected to the masses, a condition for its fully successful path. The consciousness of having obligations to the people and trust in the power of the working class were the prerequisites for the fact that the KPD was not crushed by anticommunism, whose blows it felt from the very first day, and that it did not shatter as a result of the hard resistance, which the exploiting class, who were defending their profits and privilieges tenaciously, waged against it. Thus it grew and matured over and above all difficulties and persecutions.

The firm viewpoint which the KPD selected from the moment of its foundation shaped its ideas for the path toward revolution and toward socialism. It was by this that the party let itself be guided in answering questions about the next steps in the fight for liberation against the domination of capitalism. In all decisive situations, the policy of the KPD unambiguously corresponded to the interests of the people, whether in fighting off the Kapp putsch in 1920, in the conflict over the policy of national betrayal and mass exploitation by reactionary forces in 1923, in the fight against the danger of fascism, in warning everyone about the steps that led to World War II, and in the struggle to end that war.

Concern with the interests of the people and not with the profit-interests of capitalism or alleged joint interests, nor a so-called balancing out of interests with capitalism, also shaped the conduct of the KPD toward the daily worries and needs of the working people. Ernst Thaelmann described the elimination of unemployment as the most important issue in the eyes of the communists. In so doing he was making a principled statement of the rank assumed by social policy, work and bread, and the most elementary living needs of the workers in the policy of the party.

This attitude confronts us when we look at the program documents of the KPD. I recall the "work procurement plan" and the "peasants' aid program' of 1931, but these represent many other similar exhortations and militant programs. This viewpoint shaped the activity of the communists in the trade unions and in other organizations—Red Aid, International Workers' Aid, and the Social Policy Organizations' Working Group. Equally, it characterized the policy of the party in the Reichstag of the Weimar Republic and the parliamentary bodies at other levels. Many tens of thousands of party members strove daily in this way for the concerns of the workers and of the unemployed, the white collar workers and lower ranking official employees, working peasants and artisans, intellectuals, women, and young people. The thing which we call the spirit of socialism—the work of our party for the good of the people—has in this a rich tradition, which is probably not yet known to many of us in its full extent.

This is no less true in respect of the strivings of the KPD for the political rights of the workers. The party had to fight incessantly against laws and emergency orders that restricted the democratic achievements of the November revolution and undermined them, against arbitrary justice, police attacks, and terrorism from reactionary groups, from the consul organization to the Nazi storm troops. Anyone looking at the facts without prejudice finds confirmation that the communists defended every last inch of democracy in the way Thaelmann stated.

An outstanding achievement was chalked up by the KPD in its fight for the implementation of the right of the workers to intellectual freedom. The impressive upswing of progressive intellectual life in the'20's, the development of mighty, proletarian revolutionary and bourgeois humanistic literature, visual arts, music, theater, film, and other cultural areas would have been inconceivable without the development of the revolutionary workers' movement; they were fertilized by the culture policy initiatives of the KPD.

The songs, poems, novels, and pictures of that time, which for long have not belonged only to older people but also to young people as well, and which will continue to live, grew on the fertile soil that the rise of the working class, and particularly the DKP, prepared for them. They arose in an intellectual climate in which the spread of Marxism-Leninism eliminated the exclusive validity of reactionary ideology. But the stimulation given to literature and art by the spread of the scientific world view of the working class is, of course, only one result of this work of the KPD. Above all, it developed the class consciousness of hundreds of thousands, and promoted the self confidence of the class and its liberation from reactionary views and intellectual subordination.

The development of the party itself belongs in this category. The tenacious struggle by the communists, who were most experienced because of their years and decades of party and trade union work, who were most closely acquainted with class life, and who were best suited to the creative application of our theory for the development of the KPD into a firm fighting community of like-minded people, served no other purpose than to forge an advance guard capable of action under all conditions for the working class. In this could be found the significance of all the disputes in which the unity and cohesion of the party was defended against efforts not to develop it further as a militant organization, which was what it was founded as, but to regard it as a noncommittal debating club or a loose propaganda association. In this lay the particular gain brought by the forming of the Thaelmann Central Committee in 1925. And because it always fought for the interests of the German working people, the KPD, under the leadership of Ernst Thaelmann, his comrades-in-arms and the young communists who learned from him, and all the women and men who live on in our memories, proved to be the most powerful forward striving force in German history.

One cannot say the Communist Party of Germany without thinking of antifascism. Even when at the start of the 1920's, fascism arose as a monstrous product of imperialist reaction, as a concentrated expression of barbarity, the Communists exposed its class character and its misanthropic nature, and argued with its nationalist propaganda and its social demagogy. When fascism became an acute danger at the end of the 1920's the KPD warned earlier than any other party of the threatening reactionary transformation of state power and the pressing forward of the Nazi party.

The KPD saw the unfolding of the political and ideological mass struggle as the most important means of defense against fascism. Documents such as the "Programmatic Statement on the National and Social Liberation of the German People" of 1930 served this goal, and for this the DKP developed numerous other initiatives. We can recall the creation of the militant alliance against fascism in 1930, the "Popular Action for Work, Bread, and Freedom" in 1931, Thaelmann's warning during the election of the Reich President in 1932 that "Whoever votes for Hitler votes for war," and the "antifascist action" of the same year.

It is precisely this last initiative which reflects the most striking factor—that the KPD energetically strove for the unity of communists, social democrats, trade unionists, and other antifascists, all of them threatened by fascism. This was in line with the great tradition which the striving for the united front against financial capital, militarists, and fascists had in the KPD. Lenin's high assessment of the first practical step to a united front, the "open letter" to the other workers' organizations of January 1921, in which the KPD proposed fighting jointly against the attacks of capitalism and for the future goals, is well known. Later, constrictions to that policy, solutions which proved erroneous and damaging, emerged, but we all recognize how much the opponents to the unity of the working class did to deepen the division between communists and social democrats, which extended to the murder of workers in the terrible bloody May of 1929.

However, despite all the setbacks, not sectarian narrowness, but great actions and ideas born in the struggle for the unity of action marked the path of the KPD and made history. I mention the formation of workers' governments composed of social democrats and communists in the fall of 1923 in Saxony and Thuringia, and the movement for the dispossession of the nobility in 1926, which became the biggest unified action since the foiling of the Kapp putsch. I refer to the efforts to reach cooperation against the fascist threat, for example, the united front appeals of November 1931 and April 1932; the proposal from the Walter Ulbricht-led Berlin area executive to the SPD area executive of June 1932; the consultations of communsits and social democrats in those years, most notably the talk between Ernst Thaelmann and the 20 social democrat comrades at Karl-Liebknecht building; to the bid for a joint general strike against the coup d'etat of 20 July 1932 in order to abolish the social-democrat-led Prussian government; to Clara Zetkin's appeal for unity in her speech as president by seniority to the Reichstag on 30 August 1932; and the whole movement of the antifascist campaign in general.

At that time the strength of the cooperation, which was initiated in many places in the struggle against the fascist threat, became evident. For example, the terror of the Nazi storm trooper gangs in the late summer of 1932 was halted. In August and November the reaction had to put off the transfer of government business to Hitler, which was demanded of Von Hindenburg in the famous petition from bankers and industrialists on 19 November. The attempt to abolish the trade union right to wage bargaining failed. In November 1932, the Nazis, as is known, suffered major electoral losses in the Reichstag elections—2 million less than in July—and in local elections as well.

This indicates wasted opportunities, because the KPD'S proposals encountered illusory hopes and anticommunist prejudice instead of a readiness for cooperation. Unfortunately, the final opportunity also remained unexploited, when the KPD's proposal to the SPD and trade unions to respond to the declaration of the Hitler Government with a general strike found no positive response.

The bourgeois-parliamentary Weimar Republic fell victim to pressure from the most reactionary and aggressive forces of German finance-based capitalism, from reactionary Junkers, the military, and politicians. The German working class and, with it, the KPD, sustained a severe defeat. Crimes such as the Reichstag fire provocation, breaches of the Constitution, such as the annulling of the mandates of elected deputies because they were Communists, and events such as the agreement of the deputies of the other bourgeois parties to the enabling law demanded by Hitler were typical of the scene. Barbarism took over—concentration camps, murders, and torture, the annihilation of the trade unions, anti-Semitic pogroms.

We forget none of this. However, we also remember that the KPD did not flinch. Despite ever more intensive persecution; the imprisonment of numerous communists; despite the terrorism of murder to which John Schehr also fell victim—the man who had led the party into illegality after the arrest of Ernst Thaelmann—the Communists remained unbroken. The party lived and fought on. The main theater of its struggle remained Germany. At the same time, it sought to warn the world public of the dangers which emanated from the Hitler regime for the peoples of Europe and for world peace.

The seventh world Komintern congress in 1935 assisted in the further development of the KPD's policy. At the party's Brussels conference, shortly after this conrgess, the KPD placed at the center of its activity the struggle for unity of action on the part of the workers, and for a broad, antifascist popular front to overthrow the Hitler regime and prevent a world war. The communists in concentration camps and prisons worked to protect the lives of the imprisoned; they helped persecuted Jewish fellow -citizens, and developed a close relationship of trust with many Christians. In the international brigades in Spain, thousands of German antifascists fought against fascism. In the fight against the Hitler dictatorship in Germany, and in exile, communists and social democrats came closer to one another. Also, many opponents of Hitler from bourgeois circles, progressive intellectuals, and Christians began cooperating with representatives of the workers' parties in the spirit of the people's front.

In 1939 at its Bern conference, the KPD declared that it was its primary duty to do everything to prevent the world war that threatened. There, the program elaborated for a "new democratic republic" and developed the ideas of the communists about the aim of the joint struggle. In this republic, fascism should be eradicated, with its roots of monopoly capitalism, and the single working class, with the peasants, the middle strata, and the intelligentsia, should be united in the people's front, and should detemine the country's destiny. After the unleashing of World War II by the brown pestilence, the Gernman communists intensified their efforts to overthrow Hitler's regime and to bring an end to the genocide as quickly as possible. Shying away from no dangers, they raised their voices from the depths of illegality against the criminal attacks of German imperialism on neighboring peoples. Gaps made in the ranks of the antifascist fighters by the Gestapo supremacy were closed up again and again. Thus, thanks to the steadfastness of the Thaelmann party, the voice of the other Germany was never silenced.

After the attack on the land of Lenin, the KPD stated that the victory of the Soviet Union and the oppressed peoples fighting for their freedom would also be the victory of the German people. With the "Free Germany" movement, it was possible to create the broadest alliance of Hitler oponents. In 1943 in the Soviet Union, this movement's national committee was formed; the movement spread through Germany and included over 30 countries where German opponents of Hitler lived in exile.

However, the fascist murder machine raged right up to the end. Tens of thousands of antifascists, outstanding leaders of the workers' movement, fell victim during the last months, including our Ernst Thaelmann. The communists, who proved to be the most active force in the antifascist struggle, also suffered the highest toll of lives. However, Hitler's fascism was not able to exterminate Marxism, as it had threateningly announced it would. In spite of the great losses, in 1945 the German working class a Marxist-Leninist party with steeled cadres and clear ideas of the path to be pursued. Its selfless commitment to the cause of the German people entitled the KPD politically and morally to forge ahead on the path to building a new Germany. The crushing of the Nazi regime by the anti-Hitler coalition offered our people the chance to fundamentally change its history. The decisive contribution made by the Soviet people, with the greatest sacrifices and the most difficult efforts, in the annihilation of world enemy number one and the mortal enemy of the German people—namely Hitler fascism—will never be forgotten.

One of the most important achievements of the Communist Party of Germany is that immediately after the victory over the brown barbarism, its members—coming from the internal front, from prisons, concentration camps, and from exile—eliminated the mountain of rubble left by world war and fascism, both material and ideological. Together with their social democrat class comrades, trade unionists, and many other genuine antifascists and patriots, they were activists of the first hour.

The KPD Central Committee submitted a program for rebuilding Germany in the shape of its appeal of 11 June 1945. In it the KPD resourcefully addressed Marxist-Leninist theory to the specific conditions in Germany, thoroughly drawing on its own and international experiences. The essential content of that appeal was also expressed in the demands adopted by the SPD Central Committee a few days later. The appeal centered on antifascist-democratic transformation and contained concrete goals based on immediate everyday demands. At the same time it outlined the social preconditions necessary to eliminate fascism, militarism, and imperialism, and finally make headway with socialism on German soil. Together with their communist class comrades, many SPD members drew the consequences of history and the oath never again to permit fratricide. This insight into historical necessity was linked with the practical experiences of the united front in the first great social changes and reforms, such as the establishment of new democratic administrations, the setting up of free trade unions, a uniform youth organization, land reform, and educational reform. All this resulted in a firm desire to create a united revolutionary party of the German working class: the Socialist Unity Party of Germany.

It was an event that made our hearts beat faster when on the 21 April 1946, Wilhelm Pieck and Otto Grotewohl sealed the coalition of the KPD and SPD with a handshake. The most important lesson from the history of the German workers' movement since the start of our era was realized and the working class was united on a revolutionary foundation. The "Principles and Aims of the SED" was unanimously adopted as our party's program. This resourceful document was in line with Lenin's theories of universal application regarding the transformation of the bourgeois revolution into a socialist one, the goals of the Brussels and Bern conferences, and the experiences of the German and international workers' movement.

During all periods of German history the best sons and daughters of our people, from the champions of the early bourgeois revolutions over the centuries to the members of the still young Communist Party, have always striven and fought to see that power belongs to the common man, that the people are their own masters, and that they are the beneficiaries, controllers, and shapers of their own work. This vision became reality with the founding of the GDR.

I well recall the words of our comrade Otto Buchwitz at the 2d SED Congress in 1952: "We always wanted it; we have longed for it; we have fought; we have suffered and made sacrifices as an individual can only do for this great, most beautiful, and most magnificent idea. Now there is opening up for us a perspective which we have longed for and of which we have dreamed." (footnote 7) (Protocol of the Negotiations of the Second SED Conference, Berlin 1952, p 257)

Ernst Thaelmann said: "One must try to get close to the essence of history if one wants to understand the essence of politics." (footnote 8) (IML/ZPA, NL 3) [footnote not further explained] It is exactly in this spirit that our party derives from the truth that history is determined by the class struggle, the fundamental position of its policy of always championing the class interests of the working class, and of socialism in the battles of the time.

In this we take into account the valuable lessons which history provides us with for shaping today and tomorrow, and we consult history repeatedly and reflect in the Leninist spirit on the path traveled when considering every new step. We take the historical facts as they really are. We omit nothing and we gloss over nothing. But we see much from the standpoint of our own experience of 4 decades of victorious socialist revolution on German soil; we also see it from the viewpoint of new social conditions and demands; and naturally we see it today on the basis of Marxist-Leninist historical research more precisely and clearer than before.

It is precisely the deeper insights into the causes, connections, and dialectical contradictions of both the victories and the defeats of the KPD which we now possess that make the historic dimensions of their achievements and the heroism of their fighters so much clearer. Our party stands in an unbroken anti-imperialist, antifascist, revolutionary tradition. This is why we have no difficulties in dealing with history, in contrast with those who give Bundeswehr barracks and Bundesmarine ships the names of Hitler's officers, who bow their heads before SS graves, and who use Nazi terminology in speeches in the Bundestag.

We do not deny that there have also been political errors and wrong maxims in the history of the KPD. How could this be otherwise, when such new and difficult tasks were being taken on? But the communists always stood on the right side of the barricades and they learned from their mistakes and corrected them. Can everyone who has made mistakes in history say this of themselves? Anyone who today would like to gloat over the earlier mistakes of the KPD should be reminded that German history is indeed familiar with catastrophic misdevelopments, disastrous omissions, awful mistakes, and much worse, for which responsibility cannot be laid at the door of the communists. Had it gone according to what they wanted, then as many as 70 years ago, the power basis of imperialism would not have been preserved; there would have been no fascists, no concentration camp system, no Jewish pogroms, and no holocaust; and World War II would not have emanated from German soil.

The German communists always stood in the front ranks of those who fought for peace, bread, and international friendship, and against fascism, racial incitement, racism, and war. This was so at that time and we have always kept it so. Today as well, our party, the Socialist Unity Party of Germany, is a party of innovators, whose striving is aimed at winning over all workers for the development of an advanced socialist society by means of its vigor, initiative, and creativity.

We have now entered the 40th year of the GDR, the first socialist state of workers and peasants on German soil. Our gaze is directed forward to the 12th party congress of our Marxist-Leninist party, and to the year 2000, which we already have firmly in view with the decisions of our 11th party congress. At the same time, we are examining what has been achieved and are measuring it by revolutionary ideals and by the historic mission of the proletariat.

We can correctly say today, filled with pride and not without being inwardly moved, that in our country that which has been created by means of the industrious labor of all workers, under the leadership of the party of the workers, is of historical permanence. Here on German soil, in its country of birth, the legacy of Karl Marx and Friedrich Engels is being fulfilled. In our state, in our party, and in its policy of socialism and peace, the heritage of the revolutionary German workers movement lives on, as do the aims and ideals of those militants who founded the Communist Party of Germany 70 years ago.

In everything that we have yet to achieve—and who would know that better than we ourselves—socialism and the workers' and peasants' power has achieved more for our people in a few decades than have the orders of exploitation in many centuries. For us, fundamental human rights have been implemented for a long time and are a reality and a matter of course. Freedom and social justice, the rule of law, full employment, absolute social security, certainty about the future, and a high standard of education for all—this is how our society guarantees human dignity. The unity of economic and social policy gives it a stable foundation.

Those among us who have had their own experiences with imperialism are all the more able to gauge what this means. We can remember, for example, still very clearly, the times of the crisis with 6 million registered and 2 million unregistered unemployed; the times when in their families people did not know how to get hold of the things most necessary to exist, how to provide for the children, or even what their future prospects were. In our country all that belongs forever to the past.

Naturally, socialism is not a land of milk and honey. As we work today, so shall we live tomorrow.

The more consistently we implement the socialist performance principle of "from each according to his abilities and to each according to his performance" the better we shall succeed in developing the driving forces of socialism for the benefit of the people. In this we act in accordance with the Leninist awareness that in the final analysis labor productivity is the most important thing, the most decisive factor for the victory of the new social order.

The development of our socialist country entitles us to say that scientific socialism and the revolutionary programs of our party since the Communist Manifesto, including the founding program of the KPD, have withstood the test of practice. This science remains our compass on the course to the ever better shaping of our socialist fatherland, the GDR.

Resurrected from the ruins of World War II, the GDR took a successful path. Through its performances, its stability, and its dynamism, the high material and cultural living standards of its people, and through active commitment to peace, our socialist state has won recognition and respect in the world. Under the most difficult conditions the GDR is maintaining its position among the leading industrial countries and is keeping pace with the tempo of the international upsurge of modern productive forces. In so doing we are forming the practical proof that socialism is able to combine scientific-technical and social progress, and are able to utilize the great new opportunities of modern science in the interests of and for the benefit of people.

Today The GDR is one of the few countries in the world which is producing the most modern microelectronic components with equipment it has developed and manufactured itself. With this we have again gained ground internationally, and broken another embargo against socialism. This is of the greatest importance for the future. The mastering of modern technologies puts us in a position to safeguard the social assets of the people and to expand them further in accordance with the spirit of socialism.

With the unity of economic and social policy and the comprehensive intensification decided upon by the Eighth SED Congress, we placed our economic and social growth on a qualitatively new footing. Included in this process are numerous reforms and reorganizations. Produced national income has more than doubled since 1971. It rose in the 1980's by an annual average of 4 percent. This was accompanied by a decisive reduction in the use of labor time, materials and raw materials, and power. Economic growth is increasingly being characterized by the application of key technologies. Since 1986 the increase in performance in industry and construction has been based exclusively on the raising of labor productivity.

Here economic growth never was nor is an end in itself, but something that serves people. This is most impressively clear in the case of our housing construction program, with which we will solve the housing question as a social problem by 1990. This is an unparalleled cultural achievement of socialism. And with this a great fighting target of our revolutionary movement will be achieved.

Continuity and renewal are characteristic of the path of development in the GDR. Since 1971 alone we have taken numerous important steps in this spirit. This applies to the augmenting and altering of the GDR Constitution, to the law on people's local representative bodies, the labor law code, the youth law, the agricultural cooperatives law, the civil law code, and the abolition of the death penalty. Legal bases for reviewing administrative decisions by courts have been decided on. Thus, no one need worry about the rule of law and socialist democracy in the GDR. In this sphere, too, there is no reason to be modest.

The communists have always, as the theses of the SED Central Committee on the 70th anniversary of the founding of the KPD state, made the interests of the working people the reference point of their political struggle and their practical policy. Committed to this inviolable principle, we are fighting to ensure that the spirit of socialism—the well-being of the people, peace, and the true self-realization of people, which is only possible in socialism, under conditions of socialist property and power relations—becomes increasingly apparent.

For decades now the firm alliance of the party of the working class with all the parties and mass organizations united in the GDR National Front has proved itself. The trusting cooperation of all political and social forces, despite differing ideologies and religious views, is of great value to the country's successful progress. The improvement of socialist democracy is proving ever more clearly to be the main direction of development of socialist state power.

This is expressed in the collaboration of the citizens in all spheres of state and social activity, in all stages of arriving at decisions under the motto "work together, plan together, govern together." It is shown in the composition of our people's representative bodies, in the great role and responsibility of the parties friendly with the SED, of the trade unions, the socialist youth organization, the Peasants' Mutual Aid Association, the Democratic Women's League, the German Gymnastics and Sports Association, and of all the social forces united in the GDR National

Front. An increasing number of citizens are taking part in the accomplishment of the social tasks at all levels, and in fashioning intellectual and cultural life. We are certain that the local elections in May 1989 will again provide convincing proof of this joint work.

Our party is familiar with the interests and needs, the views and opinions, and the concerns and needs of the citizens, and it always conducts dialogue with them. On this basis, it has devleoped its social strategy and is putting it into practice, step by step. Matters arising always call for the elaboration of new theoretical and pracitical solutions. In this, we apply the generaly valid legalities of socialism in such a way as corresponds to the conditions and requirements of our country, taking into account our history, traditions, and experiences. We are shaping the advanced socialist society here in this country, not in a vacuum, and equally not under conditions that exist elsewhere, but that do not exist in our country. We are shaping it in the colors of the GDR.

In the West, certain people do not tire of issuing advice to us to do things in a different way. They recommend giving up that which has proven itself, and they would praise us if, for example, we went over to the so-called market economy. If we allow ourselves to be led astray by this, to give up the unity of economic and social policy, to sacrifice the principle of social security, reduce the standard of living of the workers, take on unemployment, it would be all right to them, but it is not right for us. No, a market economy, with a labor market where possible, will not exist in our country because it leads back to private ownership of the means of production and thus to capitalism and its law of the wolves.

Furthermore, we agree with Friedrich Engels, who in 1890 wrote to Otto von Boenick that socialist society is "not something which is completed once and for all, but, like all other societal conditions, is to be understood as being in constant change and reformation." (footnote 9) (Friedrich Engels to Otto von Boenick in Breslau. In: "Marx-Engels Works," Vol 37, p 447) In accordance with this, the advanced socialist society is typified in our party's program as a historic process of far-reaching political, economic, social, and intellectual-cultural changes. This document was, as is well known, adopted by the ninth party congress in 1976. Thus, we have no fears of contact either with restructuring or reforms, but we always ask the question: What benefits or what harms socialism, and what is most relevant to the aims of the GDR?

In this, we take very good account of the experiences of other socialist countries. But we have no reason to copy the practice of this or that fraternal country, apart from the fact that this would be a gross contradiction of the fundamental teachings of Marxism. We follow the generally valid legalities of the socialist revolution and of socialist construction, which include the preservation of the political power of the working class, who exercise it in alliance with all other workers; the leading role of our party; social ownership of the decisive means of production and the socialist planned economy; social leadership and planning; the guilding role of socialist ideology; and other concepts.

Our workers' and peasants' state incorporates that socialist state power for which the communists and their alliance partners, the antifascists, fought, and for which many of them gave their lives. All other achievements of socialism find their confirmation in the power of the people. Never have we permitted the power of the workers and peasants to be weakened, because, as the experience of the revolutionary workers' movement from the days of the Paris communes through the events of the 1918 November revolution to the latest examples shows, a high price would have to be paid for this.

This is why we have at all times done everything, and in the future will also do everything to strengthen our state, our main instrument for the changing of socialism.

In the KPD, a party arose which passionately professed its faith in proletarian internationalism and international solidarity. In the 20's, the KPD developed, under the cry "hands off Soviet Russian,"—the mass movement which came to the aid of the young Soviet power against the onslaught of foreign intervention. Ernst Thaelmann defined the Soviet Union's place in the policy of the international workers' movement when he declared the revolutionary partisanship for the first socialist state to be the touchstone for attitudes in the worldwide class conflict between capitalism and socialism. This was, is, and remains the nub of proletarian internationalism for the German communists. The fraternal bond with the soviet country and its Leninist party is proving to be a foundation for our successful progress amid the storms of history.

As was stressed during my meeting with Mikhail Gorbachev, our two states, supported by a community of views on all questions of principle in foreign policy and socialist construction, are firmly resolved to work closely together in the future as well, and to continue devleoping German-Soviet relations, which are unparalled in their intensity and range. No one will ever succeed in destroying the fraternal friendship between our peoples, and the future belongs to our ever closer cooperation.

With the experience of the political struggles against World War I, the KPD formed 7 decades ago in the awareness that the international class struggle of the proletariat would "put an end to the mutual tearing apart of the peoples... and bring peace, freedom and true culture to maltreated humanity." (footnote 10) (Documents on the History of the SED, Vol 1, p 171) This programmatic demand expressed the mood of millions of working people.

In the class situation of the proletariat itself lies the objective reason of why the interests of the working class correspond with mankind's ideals of peace. To have recongized this connection and to have declared it to be its program is one of the great achievements of the young KPD. As early as the founding party congress, Rosa Luxemburg stressed that we "together with socialism and the interests of the revolution must also defend the interests of world peace." (footnote 11) (Rosa Luxemburg: Our Program and the Political Situation. "Collected Works," Vol 4, Berlin 1979, p 509)

With its vow to do everything possible so that never again war, but only peace, emanates from German soil, the SED is honorably continuing the fight of the KPD for the highest human right—the right to a life in peace. Our socialist state is actively contributing to the struggle for a nuclear weapon-free, peaceful world, and for disarmament and understanding, and is promoting the joining together of all forces of realism and reason against the danger of a nuclear inferno.

The positive changes in the international situation fortify our conviction that despite complicated problems and deep contradictions it is possible to pass from confrontation to cooperation, and to create a comprehensive international system of security. Following the coming into force of the Soviet-U.S. Treaty on the Elimination of Intermediate- and Shorter-Range Missiles, further steps must follow to reduce the military potentials in both the nuclear and conventional arms spheres.

The new initatives of the Soviet Union recently submitted by Mikhail Gorbachev to the United Nations on a unilateral reduction of its armed forces and the relevant weapons and on withdrawal, agreed with us that significant contingents from the GDR, the CSSR, and the PPR, and the other proposals are the focus of world interest. Everyone can see that the Warsaw Pact states are substantiating the words of their constructive peace program with equally constructive deeds. Even more, they are making new unilateral advance concessions in the interests of continuing the disarmament process.

Steps such as these, especially the 50 percent reduction in strategic offensive weapons with observation of the ABM Treaty as one of the most important next tasks, are suited to fundamentally changing the international climate for the better. A global ban on the production, stockpiling, and use of chemical weapons, the progressive halting of nuclear tests for military purposes, the creation of further nuclear and chemical weapon-free zones, the drastic reduction of conventional forces and arms from the Atlantic to the Urals, the establishment of zones of confidence-building, and the establishment of the nonoffensive capability of existing armed forces are urgent and indispensable.

But NATO—and we canot forget this—continues to aim at the concept of nuclear deterrence, at the modernization of its weapons of attack. These are dangerous standpoints, and they are in opposition to the requirements of the times. World conscience, reason, and realism must show themselves to be stronger, because cooperation rather than confrontation is to the benefit of the peoples. The GDR will continue its policy of dialogue and cooperation and will do everything to enable the peace program of the Warsaw Pact states which it helped to shape to be implemented. Peace was, is, and remains our supreme concern. It is served by our foreign policy, it is served by our military policy, it is served by the education of the younger generation, and it is served by the all-round strengthening of our socialist fatherland.

The ideas of peace and socialism are today deeply embedded in the people of the GDR. They are integral to the first German state of workers and peasants—the GDR. Never could those to the west of our borders, those who think in the categories of the past and persist in dreams of greater Germany, get over the fact that socialism has become an irrevocable reality here in the heart of Europe. Despite all animosity, the GDR has stuck to its course and despite all attempts to blackmail it politically, to damage it economically, to undermine it ideologically, it has emerged strengthened from the conflicts. The secret of our successes is the trusting solidarity between party and people. From the stable and dynamic development of the GDR there results certainty about the future and the firm conviction that future challenges will also be met.

At the seventh SED Central Committee session, we marked out the next tasks in the formation of an advanced socialist society, in preparation for the 13th party congress. In the 40th year of our republic, we walk forward with mighty steps along the path of socialism, in the interest and to the benefit of all citizens of our country. This is how we understand the continuing work of generations of German communists, the fulfilment of the legacy of the courageous and steadfast comrades, male and female, who made the historic decision on 30 December 1918.

In his last article in the 'Red Flag' on 15 January 1919, Karl Liebknecht, full of revolutionary passion, wrote Spartakus—that means fire and spirit; soul and heart, and the will and the deeds of the revolution of the proletariat. And Karl Liebknecht continued: "The surge of events beats as high as the heavens; we are used to being thrown down from the peaks to the depths. But our ship holds to its straight course, firm and proud to the destination. And whether we shall still be alive when it is reached or not, our program will live, and it will rule the world of rescued mankind. Despite everything." (footnote 12) (Karl Liebknecht: "Despite Everything!" in: "Collected Speeches and Writings," Vol 9, Berlin 1982, p 712-13)

Long live the 70th anniversary of the founding of the Communist Party of Germany.

## Bomb Threats Made; Security Measures Taken

### Measures Taken at Ferihegy Airport

*LD3012200288 Budapest MTI in English*
*1655 GMT 30 Dec 88*

[Text] Budapest, December 30 (MTI)—Stricter airport security measures are to be taken in Budapest's Ferihegy Airport, in the wake of the Pan Am flight's catastrophe. Greater circumspection will be taken for the necessary routine examinations, including the permitting of passengers through the magnetic gates, and the X-ray examination of hand baggage.

### Scandinavian Airlines Threatened

*LD0201181989 Budapest Domestic Service*
*in Hungarian 1730 GMT 2 Jan 89*

[Text] An unknown telephoner has told the Hungarian police that he will blow up one of the aircraft of Scandinavian airlines. The man had called up the central inspection of the national police headquarters. The Hungarian authorities immediately informed Interpol headquarters and the Swedish police. Scandinavian airlines has now tightened up security measures. Henceforth, passengers must open up their baggage before they go on board the Scandinavian aircraft.

This was the second threat within 3 days addressed to Scandinavian airlines. The tightened-up security measures have caused considerable delays. Swedish papers are of the opinion that an Iranian fundamentalist group wants to carry out an attack, because Sweden mediated in the most recent peace initiatives of the Palestinian Liberation Organization.

### Details on Scandinavian Airlines Threat

*LD0301093289 Budapest Domestic Service*
*in Hungarian 0900 GMT 3 Jan 89*

[Text] The Ministry of the Interior has provided information on the telephone threat directed against Scandinavian airlines in Budapest. It has emerged that on New Year's Eve, there was a call after ten o'clock in the evening by an English-speaking man of unknown citizenship, calling himself Arab, who was telephoning from Hungary, and he reported that an Iranian Shi'ite organization had blown up the Pan Am Airlines passenger liner in response to the shooting down of the Iranian passenger liner in the Persian Gulf.

The unknown caller also said that this same organization had placed, or would place, a bomb on one of the flights of SAS Airlines. The action could take place at any minute.

The Hungarian national office of Interpol immediately informed the competent Interpol member countries about the telephone report. Simultaneously, the necessary security measures were taken at Ferihegy Airport [in Budapest].

## Nemeth Gives New Year Talk, Interviews

### Importance of 1989 Noted

*LD3112214988 Budapest Domestic Service*
*in Hungarian 1730 GMT 31 Dec 88*

[Text] According to the Hungarian head of government, 1989 will be a year of crucial importance from the viewpoint of the reforms aimed at the creation of a democratic Hungary. Miklos Nemeth gave an exclusive interview to the Japanese KYODO NEWS SERVICE in which he said that he, personally, can imagine a coalition with any party as long as its principles do not violate the basic principles of the socialist system. The time, however, is not yet ripe for such a coalition because nobody knows which party's policy would correspond the most to the principles of socialism. Miklos Nemeth said that as the first step of the reforms, the inflow of foreign capital is being supported and import is being made more free. In connection with this he outlined the draft bills which are to be discussed by the National Assembly convening in the 2nd week of January, among these is the proposal formulating the protection of foreign investments.

The Hungarian head of government confirmed the South Korean reports according to which Budapest and Seoul are to establish diplomatic relations at the beginning of next year.

### Comments on Domestic Situation

*LD0101235089 Budapest Domestic Service*
*in Hungarian 1820 GMT 1 Jan 89*

[Interview with MSZMP Politburo member Miklos Nemeth by Tamas Vitray—live or recorded]

[Text] [Vitray] It is almost 2 months now that you have been prime minister. My question may perhaps not be very normal, but it might nevertheless be described as justified: Did you weigh what it was that you were undertaking?

[Nemeth] This started longer than 5 or 6 weeks ago, the fact that the symbiosis of party general secretary and prime minister was to cease. Right from the outset there were very many, or several, candidates who ran on the list, so to say. During the conversation within the Politburo, the three names which were also sent out for consultations, did figure. I believe that all three of us, that is—Imre Pozsgay, Pal Ivanyi and I—had the means from that moment on to think it through. On the one hand, we had to think through the situation, think through the system of demands which have to be satisfied, and we each had think about ourselves as well: we had to think about whether we can satisfy all that which, on the one hand, derives from the situation, and on the other hand, all that which necessarily appears from the system of demands, both before society and the individual. First of all, I thought through the situation. I thought that a country which, without a doubt has recently come into a grave situation, in the economy, too, because of the mass of structural problems, the tension of the problems of external balance, as well as the accumulation of social problems, the appearance of tensions—all these things, I think, make it the elemental, the moral, duty of a decent Hungarian citizen, if he has done everything, has prepared, and if he is honored with being nominated for or chosen for this task, to shoulder the situation, or to be more precise, to undertake this work in the knowledge of the situation, to help this country, or this people. Now, regarding myself, I naturally found positive features, and I found shortcomings, too. Well, as a positive feature I must at all events highlight the fact that I belong to the generation which went to university precisely in the sixties, at the start of our reforms. In other words, which tasted a very effervescent, many-faced and many-directioned public life, while it acquainted itself with an ever more modern syllabus.

Following this I had the means to spend shorter or longer periods not only in Hungary but also abroad, in other words to further deepen my professional qualification, or to lay its foundations. Apart from this I must perhaps also highlight as a positive feature the fact that those who know me can say of me, I think, that I have a large capacity for work and a great love of work.

I also drew up my accounts regarding the negative features. Sitting in this chair, one has to seek compromises much more soberly, much more circumspectly, paying much more heed to the various alternatives, the various formulations, the various people, than I may have done in the past.

[Vitray] I assume, it is not at all certain, that when you found out also about these other two candidates, whom you, too, have mentioned, that you weighed the three of you in your own mind.

[Nemeth] Yes. Yes. I had separate talks with both Imre Pozsgay and Pal Ivanyi. I can say that we formed the most respectable assessment possible in the given situation. That, as a result of the consultation, whichever one of us should be chosen, at the end of the nomination, it would be our duty with full strength to support and help that person, whichever one of us it might be, in order that we might clear the first hurdles successfully.

[Vitray] Forgive me for asking you this question. I ask it without any slyness, did this not go without saying?

[Nemeth] Oh, yes, in my view it went without saying, but I think that in politics, in communicating with people, in building relations, it is very important to stress even the most self-evident things, the most natural things.

[Vitray] Chance would have it that I had the opportunity to speak to one of the candidates who came into question, and I asked him whether he would have accepted the premiership. He [Imre Pozsgay] said no, because there would not be enough time—the post is so important and it requires such a degree of preparation, for which the country does not now have the time. Now, it occurs to me that the same thing could, as a matter of fact, also be true about you. In other words, that you do not have the possibility for any great buckling-down, any great preparation.

[Nemeth] That's right.

[Vitray] Whereas you also do not have any great practice.

[Nemeth] Well, the way I formulated this for myself is that there is no time for further experiments. Or, if you like, putting it another way, there is no learning time, either, in this post.

[Vitray] I can not put it less bluntly, but does the government know exactly what it wants?

[Nemeth] To renew this Hungarian society, and moreover along the line of a determined and striking reform program, and with such a reform program. I consider it to be an extraordinarily favorable condition that in the recent period, at long last, the economic and the political reform have been advancing together. By which I mean that since 1968, with smaller or greater intensity, stumblings, and meanderings, we have started our own economic mechanism and its economic reform. Even so, the country got into a difficult situation, even so, we are in a difficult situation. One of the decisive reasons for this, apart from our inconsistency, I see to lie in the fact that the economic reform was not supplemented with a reform of the system of political institutions; that is, it did not help it, did not follow it. There was a great lack of synchronization between the two areas. In other words, neither politics nor the economy was supplemented by one very important condition, namely that one has to think in terms of the society, in other words it is society, that has an economy and politics, and not the other way around. From the fifties onwards we had been doing this a little bit the other way around. Things have to be reversed and this connection, too, has to be set on its feet. In this process of renewal we should be able and we should dare to rely on the legacy of the history of Hungarian development, or, to put it another way, on our traditions. Only that kind of reform can be successful—be it social political reform, reform of the system of political institutions, or even an economic reform in the more restricted sense—which dares and is able to relay on its traditions, on its values worth preserving. In recent times this is less spoken about and we debate about it less, although I wanted to (stress) a very essential connection.

[Vitray] I would like you to illustrate with a somewhat more concrete example what you mean by this.

[Nemeth] By this I mean that my conception—albeit every analogy, every historical comparison, is a little lame—is a little similar to what was said by the chief ideologist of the erstwhile Transylvanian periodical HITEL about reformism, or about the reforms, for instance between the two world wars, namely that only that kind of society is capable of keeping step with the world, capable of renewal, which characteristically knows what are those of its values on which it must definitely rely in this process, or which looks at its environment, in a given case Europe or the world, in such a way that, by building on these values it should be able to follow, or if necessary, assimilate, the new phenomena, or the new demands. A society or an economy that do not have such things at its disposal, in other words, one that treats the dignity of work according to its rank and its place, which puts the encouragement of performance and the obligation to perform, in a very prominent position in the ranking list of values; where decency, honesty, accountability and calling to account are present in everyday life, as well as democracy, openness, only such a society will be capable of accepting also the outside influences in a positive way, of making them its own, if you like, assimilating them. In the contrary case, I think there could ensue an empty obsequiousness and imitation, or we would just be able to prove, or prove to ourselves then, that we are incapable of renewal.

There are perhaps two more essential points here. One is that we should be able to exploit the system of foreign political conditions, which is nowadays changing in a way that is favorable to this reform program; in other words, that we might be able to show the world and ourselves, too, that this Hungarian person and Hungarian society are indeed capable of keeping step, of advancing, because they like and know how to work, only we have to make the conditions right.

[Vitray] Now the question is, how do you see the nature, the strength, the situation, of the confidence placed in the government inside the country? How far do people have confidence in the government?

[Nemeth] I think we are not far from the truth if I say that the capital of confidence, which after 1956 was quite strong, or quite big, if you like, has been consumed from the seventies onwards, both by the political and state leadership.

[Vitray] Without its being regenerated.

[Nemeth] Without its being regenerated. In my view there was and is a great illusion in this, that only and exclusively the regular raising of living standards can be the basis of trust. Well, it is common knowledge that, on account of our economic problems and difficulties, there has not been any regular and continuous raising of the living standards, in recent years; on the contrary, there was a significant fall in the living standard in the country.

In this sense, the economy has, if I may put it this way, somewhat pulled the rug from under the capital of confidence. At the same time, in my view, this also has a very essential component of awareness. After the war, following the liberation, in nearly every one of the socialist countries, the belief in catching up was present, both in politics and in public life. That within a short time, since we are building socialism, we would catch up with the more developed countries. To this was added the outlook that there is a vanguard, in a given case a more restricted, leading body, let us say then the leadership of the party, which knows how this catching up should be conducted, what has to be done, by society or the economy, that this should take place. Well, it turned out that the catching up is much more difficult, that above all it requires work, decent and respectable work, and it also turned out that the vanguard was not always a vanguard, and it did not in every regard carry the philosophers' stone in its hands. We have to pay at least a little price for this disillusionment, or of this disillusion. We are starting to pay it now. I think it is better to begin first to pay this, to make the repayment, than to trundle the problems before us.

This country has suffered a great deal, before the war, in its even older history, and after that as well. So, the individual person has also made great sacrifices. We know, from human nature, that if for a very long time there is a great shortage of something, and then if they obtain it, and they have the possibilities to make up for this, then they become a little greedy, if you like they overconsume, and they do everything to make up for the former shortages. I think that this period is past, and I believe it is right that we are past this, that trust can only and exclusively be founded on living conditions and living standards. Faith must be given back to people that we will be capable, within a foreseeable time, not to catch up—because that is an illusion—but to start off, to move out of this difficult situation, toward a more modern society, in a positive direction. I do not believe that with irresponsible promises this capital of confidence could be restored. Nor do I believe that the sketching of some kind of new picture of socialism could be the pulling force that would once again weld society into a unit and would induce it to united action.

What I believe is that people have to be given the possibility for action, enterprises have to be given the possibility for freer management. The possibility of choice has to be given; society has to be democratized. Then, nice and gradually, step by step, those motive forces, those driving forces, in other words not pulling forces, will come into operation, which are, well, still so much missing from our system and our society today.

[Vitray] You have also used the word reform in this conversation. Now, somehow one has the impression that people use this word in line with intentions, attachments, convictions, or even distrust, bitterness. The word means something different for almost everybody. Would you tell me what the word reform means to you?

[Nemeth] The nature of reform is that first the so-called unpleasant sides of reform, its negative sides, manifest themselves, and if a leadership, a government, lacks the patience to wait and go through this period, then what happens is that which has happened so often in Hungary as well, namely that we took fright, stopped halfway, did not carry out the reforms consistently, and then we were surprised, and are surprised, that the positive aspects have failed to manifest themselves.

Thus, today the view is taking shape inside the party, in the National Assembly, and, I dare say, in the majority of people as well, in the majority of responsibly thinking people, that there is no other way for solving our problems than the reform program's consistent realization. For me, therefore, the reform means a focus on the human being, a social-political approach and sensitivity, as well as a harmonic unity between the economic and political-legal institutional aspects. The result must be that we develop, slowly, step by step, a democratic and open society in which the dynamic forces of the market economy can work and have their effect much more flexibly and freely than at the present time; in other words, where our everyday life is characterized by enterprise. I would like to see a society and an economy come about within the next few years which has made suitable progress in the process of the development of a market economy, where in the system of political institutions, if I may put it like this, noble and free competition facilitates weighing the social interests or the various interests and analyzing their realization as a result of compromises, and seeing where we live in a flexible, democratic and open system.

[Vitray] When you talk about a noble and free competition, who participates in this? Are you talking about parties?

[Nemeth] Well, this is not something that I can predict at this moment, whether it will be parties or movements or various groupings who will participate in this. I do not believe in, and I do not regard as right, that the government or even parliament should carry this out by taking the initiative from above. It has never harmed a society yet, rather, it has always benefitted it. It has always benefitted the people as well, if the interests were able to manifest themselves openly, if they were able to clash, if it was possible to think in terms of different alternatives, to politicize and think in terms of different alternatives and when the program and consensus which society or the people could line up behind evolved on the basis of open debates.

In other words, what I think and see at the present time is that today in Hungary the appearance and manifestation of the various interests represent one of the motive forces of the reform process. We must allow them to function.

[Vitray] Hearing you say this, the question might occur to someone whether the way in which this manifests itself is not that everything may be done that is permitted.

[Nemeth] Well, everything may be done that is not proscribed by law.

[Vitray] Alright, but how far does the law allow everyone to participate in the framing of the law?

[Nemeth] The value of every law is that which a society accepts from it and professes in the longer term. Thus, it is no accident that we have made a start on the reformulation of our Constitution, because the Constitution itself contains theses on the basis of which, in my view, we could not carry out the tasks of the present and of the near future adequately, or adequately enough to be acceptable.

[Vitray] At any rate, one thing is certain: your image of the reform and everything you have said just now in this connection already show differences from the views of leading personalities who also speak with full entitlement about the reform. Admittedly, the differences are not vast, but there are differences of significant emphasis.

[Nemeth] I do not see any danger in this. In order for us to be able to come closer to each other on fundamental issues, or for us to profess identical views, approaches on basic issues, first and foremost all of us, myself included, have to elucidate in ourselves what each of us means by reform, what content we attribute to it. We must not fall into one of the mistakes—in my view the serious mistake—of the past, namely when ideological theses and sentences decide and determine the possibilities, the scope for movement, inside society or in the economy. I regard it as very important that it not be politics or ideology, or even science, which determines that we can speak about socialism when the proportion of private ownership amounts to 5 or 6 percent, let us say as a proportion of the national income, but if it amounts to 15, 20 or 25 percent, then it is no longer socialism.

[Vitray] In other words, the situation should not be determined by theoretical theses but, rather, the situation should influence the theoretical theses.

[Nemeth] Yes, quite right, and we should be led by the rationality and effectiveness in the situation. What is important is not what is left of the socialism, whose every weakness and fault we experience, unfortunately, on our own skins. Rather, the way we should formulate this is what socialism will become through, for example, the realization of the reform program, if, at last, we carry out consistently everything that we have decided to do. In other words, the essence is not what will be left of that which we know to be bad—and we must face up to this inheritance and this is something we must undertake to do—but we should be led by the idea of what this socialism will turn into. In this respect, I believe in a democratic, humane, and human-oriented socialism.

In recent years we have been able to formulate, to create, spectacular reform programs, and, we have been able, so to speak, to sell them to the outside world. However, the time for promises is over at home and, similarly, the time for promises is over abroad as well. This is why they say—let me add, with justification—that by now we should not waste our time on formulating new programs, new reform packages, but, rather, that we should carry out the one that is valid at the present time and has been approved by the National Assembly: the program of stabilization, and once we have successfully implemented this program, we shall have every chance of obtaining the political and, let me add, the economic-financial, help we will need for resurgence.

[Vitray] More and more people are using this newly domesticated term, alternative movements.

[Nemeth] Let me tell you quite frankly, I am wary of using this term, alternative movements, because what is implied by it is precisely that which you have hinted at, namely that they have a ready concept regarding either the whole of social policy or for a part of it. Well, at the present time this cannot be said regarding the majority of these organizations. On the part of the government, I, so to speak, offer my hand to every force and organization that stands on the basis of the Constitution, accepts the Constitution, and is capable of accepting responsibility, and to participate in the joint work, in the cooperative work, in other words, in changing our situation in the right direction, and we call on everyone to engage in a dialogue and in joint action.

Of course, if this system of relations were to be characterized by extreme manifestations, if perhaps ulterior motives were to surface, then the government, and I personally, would adopt a different stance. As long as there can be a dialogue on one question or various questions, and as long as we can develop a common ground for cooperation, these could and will benefit Hungarian society and the Hungarian economy alike.

[Vitray] Can you envision a situation where the momentums you described as extreme and possessing ulterior motives might develop to the point where there might be an explosion?

[Nemeth] This is not how I currently evaluate the situation.

[Vitray] There are two ways of formulating what I am about to ask you. It concerns the socialist camp. This is put in two ways at the present time. On our side it is said, more gently, that it has become multicolored. On the other side it is said that, at least ideologically, it has fallen apart. How do you see this situation?

[Nemeth] I think that it is certainly true that it has become multicolored. After all, in certain countries of the socialist camp, even if there are great differences regarding the directions and the methods, a certain reform process has got under way, certain steps have been taken; the earlier homogenous unity from which we expanded a little with the reform we began in 1968, is, thank God, something of the past, and I am convinced that it will not return.

[Vitray] At any rate, it would have been unimaginable for disputes regarding nationalities to surface and make themselves so sharply felt as now, and as it also affects us at the present time. It would have also been unimaginable for a Soviet paper to be bannned from the streets of another socialist country, and so on.

[Nemeth] These are very important examples, warnings, as regards having many colors. I think we all know with regard to the nationality problems that a few years ago in most socialist countries, and even in the Soviet leadership, the view was put forward that these had been solved once and for all, on the basis of the principles of the Leninist policy regarding national minorities. Then it turned out, as we had known, that these problems were not solved. Only we were not talking about them. Was this because of some sort of mistakenly interpreted solidarity? It was to create the illusion of a mistakenly interpreted unity. We see the damage that this has done. These were also illusions in the earlier practice.

The other question is also like that. In one socialist country a newspaper from another socialist country gets banned; in one country the opposition can take part in television forums, can debate with the representatives of authority, can express its views, while in another socialist country this might even be interpreted as abandoning power, and so on. The socialist world is multicolored, but I think within this sooner or later every country will find whether the road it has chosen for itself is correct, or will find its own road. This will not happen easily and will be a process involving many contradictions and much agony.

However, the world, let me put it this way, needs the socialist camp. Even the capitalist countries need the socialist camp. We also need them. [Vitray] Can all this go into reverse? If the wheel of time cannot be turned back, what guarantee is there that this is so?

[Nemeth] In my evaluation, in the Soviet Union there is dynamic movement in this direction, and the leadership is doing everything to ensure that this process of restructuring, this process of transformation, should be irreversible. I am convinced that even if not during the short spell of time that was considered enough in the beginning, they will realize the program and they will gain for this the domestic social support without which a program of transformation such as this cannot be implemented. This is so if only because the Soviet Union, the Soviet people, the socialist camp, have no other chance, there is no way back, if you like, or, if things should go into reverse, this is something that, in simple words, God should not permit, because this would not benefit the socialist camp and, let me add, would not do any good or benefit the other half of the world either.

Concerning the second part of the question, my view is that we also have a great international responsibility to help the success of Gorbachev's reform program with the realization of our own program, because should the Hungarian reform come to a halt or reverse, because of our size—and everyone knows the relative sizes of the two countries—this would have a much greater negative effect on the Soviet restructuring and the Soviet leadership than in the reverse case. [as heard]

[Vitray] I hope that in a year I will be able to sit here with you, with a year having passed. What is it that you hope you will be able to tell the country about the progress that has been made, and how realistic is that hope?

[Nemeth] Well, I would also like to sit here in a year. There are a few difficult years still ahead of us and there is only one way in which we can overcome this problem: if we work better and if our work is of a higher quality, because I think that it is true of the entire country that, as the popular saying goes, God helps those who help themselves. So, first of all, we must create order in ourselves, by ourselves, ordering our own ranks, and people, society, the collectives, must be given the opportunity for doing so.

We are beginning to realize the outlines of a change of emphasis and a change of policy, which will lead to the building of a more free, more flexible, and more humane society. Now, at the beginning of the new year, I wish every Hungarian and non-Hungarian citizen, within and outside our borders, all those who regard themselves as Hungarian, good health, much success and good nerves, tenacity, for the realization of the far from easy tasks in 1989.

### Queried on Reform Policies

*OW3112083188 Tokyo KYODO in English 0748 GMT 31 Dec 88*

[Text] Budapest, Dec. 31 KYODO—Saying socialism can be pursued within a multi-party system, Hungarian Prime Minister Miklos Nemeth stated Friday he would agree to form a coalition with any party if its principles did not threaten to destroy the country's political system under socialism.

In an interview with KYODO News Service at his office in the parliament building here, the 40-year-old reform-minded economist who assumed his post last month said, however, it was still premature to set up a coalition now, since no one knows which party's policies are best in line with socialism.

Laws allowing the formation of political parties and the holding of mass meetings are expected to be passed by the Hungarian parliament in January, along with a series of bills on political and economic reforms.

The prime minister, a confidant of Hungarian Communist Party leader Karoly Grosz, said while establishing a socialist market economy is Hungary's longterm economic strategy, it will first pursue free economic activities based on the market economy.

Nemeth said Hungary ultimately hopes to link its economy to the international financial system and to develop state-of-the-art technology.

Nemeth, who studied Western economics at Harvard for a year in 1975, said he welcomed investment and trade from Japan, which he termed "an economic partner." He also expressed interest in visiting Japan in the near future.

Nemeth said his government would begin reforms by promoting foreign capital and liberalizing import restrictions in an effort to stimulate the economy.

Other economic reforms included in the set of bills to be discussed in parliament beginning January 10 are protective measures for foreign investments, reorganization of unprofitable companies, privatization of state-run companies, and permission to hold strikes.

Laws securing freedom of the press, other publications, and religion are also scheduled to be enacted in 1989.

Summing up his administrative goals for 1989, the youngest premier in the Soviet East Bloc, said the coming new year would be crucial for the enforcement of comprehensive reforms aimed at establishing a democratized Hungary.

In his first interview with a Western news agency since his inauguration, Nemeth acknowledged South Korean reports that Budapest and Seoul will officially establish diplomatic relations in early 1989, though he did not specify the date.

In regard to the reaction by North Korea, Nemeth said Hungary has successful relations with both East and West Germany, and therefore new relations with South Korea would not sever Budapest-Pyongyang ties.

After graduating from Karl Marx University of Economics in Budapest, he assumed a demand in post in the State Planning Agency in his 20s. He was one of the key Politburo members under Grosz and became prime minister after Grosz resigned in November to concentrate on his new post as Socialist Workers' Party leader.

## Pozsgay Interviewed on Domestic Issues for 1989

*LD0201153689 Budapest Domestic Service in Hungarian 0545 GMT 2 Jan 89*

[Interview with Imre Pozsgay, member of the MSZMP Central Committee Politburo and minister of state, by unidentified presenter; in the "Morning Dialogue" program; time and place not given—recorded]

[Text] [Presenter] What do you consider the most necessary and most possible task to be accomplished in the new year?

[Pozsgay] I think that 1989 will show whether a change really did start in 1988. The political foundations of this turning point were created by the May party conference. Since then the spirit of initiative has strengthened while the feeling of making no headway is more obvious. Thus, in 1989 it will have to be proved that the renewal has started not only in words, but that it touches every domain of life, from legislation and the transformation of political relations, to reviving the economy. Very good laws have to be made. In my opinion, there is nothing to prevent good legislation because we have known for a long time what good laws should be like. We have the knowledge. There are plenty of experts who can make the preparations for the laws. No doubt, the National Assembly has to work at greater speed.

But here and now the point is that this speed has to take acount of the capacity of the people to understand and respond. At the same time, it should move people's souls. It should create trust. Therefore, I believe it has to be made rendered beyond doubt that a democratic opening has really occurred here, and that democratic socialism is being built. For this, as the classic saying goes, the techniques of freedom have to be found, and it has to be proved that one cannot talk about socialism when democracy and freedom are missing.

That is why the new constitution has to be established. Preparations for this are going well. Perhaps, already in 1989, a draft can be introduced to the inhabitants of the country, to the citizens. Apart from this, and without waiting for the constitution, matters like the law of association and assembly have to be reconsidered. This was already on the National Assembly agenda in December, but due to accumulated work it was postponed until January. A new concept has to be created regarding publicity and the press, radio and television, regarding freedom of the press. Legal formulas and guarantees have to be created which give security to the citizen that he or she is not at the mercy of the state, and which conveys to state offices a feeling that they are not dealing with a lethargic and dependent citizen. Greater openness and publicity are essential even if this causes embarrassment, pin-pricks, and inconveniences. We will get accustomed to it. The year 1989 will also be a kind of training period for the institution of democracy.

Thus, I think that from a political aspect 1989 can conclude the turning point started in 1988.

[Presenter] Hopefully, changes in the economy will peed up as well. At the same time, hundreds of thousands of people can be negatively affected by this, and the handling of the economy is a political matter. Your remarks at the party conference are timely: We have to be open about who will gain and who will lose—and why—as a result of the redistribution, and about how the losers will be compensated by the state.

[Pozsgay] As for winners and losers, naturally, the government can only serve the interests of the whole of society. If during the slimming diet which has been forced on the economy, not only the superfluous fat and blubber but also the muscles get thin, languish, and waste away, then this is a bad diet. I do not want to lecture on the physiology of this, but I would like to say that this transformation should not end in the loss of muscle. This view of the future forbids us to use up the reserves of the economy by supporting the unsupportable. Radical decisions and clear speech are needed for this.

The people and society know what has happened even without us, and the price which they are paying, which they have to pay. There is no one else to pay it. The question is, whom does one trust to do this. Who did not squander trust but created a situation and an atmosphere—I am not talking about persons, rather about institutions—which institutions can promise, in a creditworthy manner, that those who momentarily will become the losers in this transformation process, will later also belong among the winners.

The social content of the economic tranformation begins with the alarming picture of unemployment. I do not believe that a government could set unemployment as a target. This is the sacrifice which has to be made by mutual agreement. This will last for only a short time because there is a great shortage of manpower in many parts of the country. But this situation changes and disrupts lives. Therefore, I think that, above all, successful enterprises have to be created. Owners have to be found for the property. Where the state is the most suitable owner then the state should be the owner. Where there are smaller or larger communities, the forms of association and merger should be determined. And where the individual can serve society as a private enterpreneur, he or she should be given scope in this field. If we desist from only frightening society with the horror or unemployment, but stress the possibility of a resurgence in enterprise, and of a renewal, then society considers itself a winner in this whole process. The reason why society is distrustful today is because it is now paying the price for a policy which wasted billions, bought off social peace, did not want to face up to the conflicts and tensions. This cannot be paid for by everybody equally.

If we want to make people pay equally again—the efficient and the less efficient alike—then this society and this country will not get out of trouble. I believe that 1989 will bring a radical change in this respect. People cannot be urged to endure and tolerate further, nor to make additional sacrifices without knowing what is at stake. I believe that we will see the end of this [as heard] in 1989.

### 120 Pardoned for Roles During 1956 Events

*LD3012134888 Budapest Domestic Service in Hungarian 1300 GMT 30 Dec 88*

[Text] The Presidential Council decided at its session today that it would free many people from the disadvantages of their punishments in connection with the events of 1956. Of 174 people condemned for their actions at that time, 120 have now been granted clemency. A Justice Ministry official said that since over 30 years have passed, it is unneccesary for these people to continue to bear the disadvantages of a criminal record.

Those found guilty of manslaughter during the 1956 events—not in battle, but who in a particularly brutal way killed those who were injured—were not given clemency. These include the participants in the slaughter in Republic Square in Budapest, in Miskolcs, and in Mosonmagyarovar.

Those who did not receive clemency this time may submit a request to the Justice Ministry, where their case will be reexamined.

The Presidential Council did not deal with those who were condemned because of the events of 1956 but who now live abroad.

### Explanation of Amnesty Decision Given

*LD3012173788 Budapest MTI in English 1525 GMT 30 Dec 88*

[Text] Budapest, December 30 (MTI)—At its Friday session, the Presidential Council of the Hungarian People's Republic discussed a proposal of the minister of justice related to the persons whose case had been revised under Law Decree No. 20 (1988) but who were not granted amnesty.

After revising the case of 174 persons, the Presidential Council, taking also the length of time into account, concluded that the acts of 120 former convicts did no longer make it necessary for them to bear the legal consequences of a criminal record.

The Presidential Council passed decisions on personnel affairs, relieved and elected judges, and decided on individual clemency pleas.

The Presidential Council of the People's Republic relieved Jozsef Kadar, state secretary of construction and town planning, and Laszlo Toth, state secretary of transport, of their posts, with recognition of merits, with effect of December 31, 1988.

At its Friday session, the Presidential Council decided on clemency affairs and freed several persons from the consequences of criminal record related to their acts in 1956.

In reply to a question who the measure affects by an MTI staff member, Katalin Gaspar, head of the clemency department of the Ministry of Justice, said: Authorized by Law Decree No. 20 (1988) on amnesty, the Ministry of Justice revised the case of people who were not granted amnesty by the law decree. Out of the 174 persons belonging to this group, 120 should no longer bear the legal consequences of their acts in 1956, taking the time that has passed into account.

"The minister of justice did not propose the Presidential Council to grant clemency to those persons who committed murder outside the street fighting and who injured persons in a particularly cruel manner, humiliating their victims. These persons include the participants of the bloodbaths in Budapest's Koztarsasag Square, and in Miskolc and Mosonmagyarovar. The minister did not propose exemption either for people, who, making use of the loose public security, looted to their own advantage, or, who, while armed, stole valuables on the pretext of house searches, or robbed shops. The minister of justice also did not submit to the Presidential Council the affairs of people whose actions were motivated by revenge, mainly in view of the injured party's political conviction or function, and whose aim was to kill, or actions leading to this end.

"Thus there were 120 persons who the Presidential Council has acquitted from the legal consequences of their actions in 1956. Those who later were also convicted by courts for other crimes continue to bear the consequences."

"Persons who did not receive clemency now can submit a request to the Ministry of Justice, where their cases will again be examined, and submitted to the Presidential Council for decision.

"Several persons convicted for the 1956 events live abroad, and their place of residence is unknown. Their cases were not dealt with on this occasion, as they can present a request for the re-opening of the case, or for clemency."

### Pomeranian Bay Division Discussed With GDR

*LD3012201788 Warsaw PAP in English*
*1823 GMT 30 Dec 88*

[Text] Berlin, Dec 30—Further talks were held here December 28 and 29 of Polish and GDR's experts on the division of sea territories in the Pomeranian Bay. The talks focused on the detailed issues connected with securing for the ports of Szczecin and Swinoujscie a free and direct access to the open sea along an existing and used route which enables also large draught ships to pass it.

The sides exchanged views on the division of territorial waters, the continental shelf, and fishing zones. The talks have brought about a convergence of views of the two sides.

Both sides agreed to speed up the works in order to sign a respective accord. The talks of the experts will be continued in the nearest future.

### Solidarity Ally Released; Dissidents Arrested

*AU3012193688 Paris AFP in English*
*1857 GMT 30 Dec 88*

[Text] Warsaw, Dec 30 (AFP)—Poland on Friday freed a former security police captain who served four years in jail for collaborating with the banned trade union Solidarity, informed sources said.

Adam Hodysz, 48, was arrested in the northern port of Gdansk, the Solidarity stronghold, in 1984. Officially charged with taking bribes, he was sentenced to three years' jail in 1985, but his term was doubled in 1986.

Mr. Hodysz, who was an officer in Gdansk, gave Solidarity a list of its members jailed after martial law was proclaimed and the union outlawed in 1981.

On his release, Mr. Hodysz was met by Bogdan Borusewicz, an aide of Solidarity leader Lech Walesa, who sent his car to pick up the ex-police chief.

Meanwhile, police arrested two dissidents who hung a banner demanding the release of political prisoners on the building housing the offices of the communist party Central Committee on Friday, informed sources said.

Six dissidents marched through the streets of the southern city of Wroclaw to protest the detention of political prisoners. Sources there said they handed pamphlets to hundreds of passers-by.

Also in Wroclaw, three dissidents arrested Thursday were fined between 100 and 150 dollars for demonstrating for the release of political prisoners.

Some 24 people are now on hunger strike in Warsaw in a bid to gain the freedom of political prisoners. The strike began on Christmas Day, and is to end on Sunday.

### Dissidents End Week-Long Hunger Strike

*AU0101172089 Paris AFP in English*
*1641 GMT 1 Jan 89*

[Text] Warsaw, Jan 1 (AFP)—A group of dissidents seeking freedom for political prisoners in Poland and Czechoslovakia ended a week-long hunger strike at midnight here Saturday.

The strikers numbered 12 when the fast began on December 25 but grew to two dozen as supporters joined them through the week.

In a communique, members of three banned organizations said their protest aimed "to show the public that authorities in Poland and other communist countries were still resorting to violence".

They said the hunger strike marked "the start of a series of protest actions" which would continue "as long as violence persists" in the political arena in Poland.

Specifically, they called for the release of four Poles jailed for refusing to do military service or expressing opposition to the government.

During the strike, authorities freed Adam Hodysz, a former national police officer sentenced in 1986 to six years in prison for collaborating with leaders of the banned Solidarity trade union.

### Human Rights Committee Registered in Warsaw

*LD3012233688 Warsaw PAP in English*
*2249 GMT 30 Dec 88*

[Text] Warsaw, Dec. 30—A social committee for human rights was registered by the social-administrative department of the Warsaw Metropolitan Office here today. Thus the organisation has obtained its legal status.

The committee chairman Kazimierz Buchala told PAP: We want to materialize the ideal of free man in Poland starting from the assumption that the citizen can be free only when he enjoys his rights and personal and political liberties in full.

Our desire is to contribute also to the implementation of the economic social, and cultural rights of the citizens, which acquire and will continue acquiring increasing significance in the era of the economic reform.

We shall also seek fuller guarantees to the human rights in the proposed amendments to the penal, civil, and economic law.

### New Social Groups Receive Legal Status

*LD3112102188 Warsaw Domestic Service in Polish*
*0200 GMT 31 Dec 88*

[Text] Many new social organizations and associations have been registered in the past few days at the Administrative Office of the Capital City of Warsaw. Among those to have been legalized is the Public Education Society [Spoleczne Towarzystwo Oswiatowe], which demands the setting up of private schools. Two youth organizations linked with church circles have been set up: the Association of Catholic Student Youth [Stowarzyszenie Katolickiej Mlodziezy Akademickiej] and the Student League [Liga Akademicka]. Voluntary workers who man confidential telephones also have their own organization: They have set up the Association for Telephone Aid and Prevention of Suicides [Stowarzyszenie Pomocy Telefonicznej i Zapobiegania Samobojstwom].

### Walesa Interviewed on 1988 Results, 1989 Hopes

*LD3012200088 Hamburg DPA in German*
*1826 GMT 30 Dec 88*

[Excerpts] Warsaw (DPA)—Polish workers' leader Lech Walesa has hopes that 1989 will become a "year of national reconciliation" in his country. In a DPA telephone interview today from Danzig/Gdansk, he said that at present there are "bigger chances than ever" for understanding and negotiations "at the round table" with representatives of the government. Recent weeks had produced a series of signs in favor of this, even if 1988 was a "year of unfulfilled hopes."

The prerequisite is that the reauthorization of the Solidarity trade union goes ahead. Of course, it has to be a different, better, and cleverer trade union than in 1981, but there could be no departure from the principle of trade union pluralism. If words and negotiations will not help, then other means must be sought, including the strike weapon, which he would only use unwillingly. Stanislaw Ciosek, secretary of the PZPR Central Committee said today that in 1988, awareness that "empty debate" has to end has deepened. [passage omitted]

Also today, at St Brigida's Church, Walesa met released former security official Adam Hodysz. The latter was sentenced to 6 years in prison for cooperating with Solidarity, and was released early for good conduct. Walesa intends to spend New Year's even at home with his wife and children, as he has for the past 7 years.

### Jaruzelski New Year Message Aired

*LD3112202788 Warsaw Television Service in Polish*
*1900 GMT 31 Dec 88*

[New Year message by Wojciech Jaruzelski, chairman of the State Council, in Warsaw—live]

[Text] Dear compatriots, every time I address you on New Year's Eve I wonder whether such a talk is really necessary, whether I will manage to find words that are sufficiently accurate and express thoughts that are new enough to get through to human minds and hearts. Some people will say that I abuse privileges to be a guest today in your homes, that I lecture, cheer you up, and make promises—I do not have such an intention. I am not appearing in front of the television cameras only out of any sort of Polish habit.

For me it is a special occasion to share thoughts with you about pervasive matters. In the passing year I talked to thousands of Poles, in Warsaw, Poznan, in Silesia and on the coast, in many Polish towns and villages. As much as possible I try to read the letters sent to me. I know well, and not second hand, what worries and complaints today are the lot of the majority of Polish families.

There are years in human life, and in the history of a nation, which pass almost unnoticed. There are also, however, years which leave indestructible traces on one's memory. Nineteen eighty-eight was such a year. It did not fulfill many expectations, it was not free from bitterness, from tension and doubt, nor from everyday burdens. But neither was it a futile year. Poland did not stand still. We worked, produced new values, undertook bold attempts and innovative solutions in the political, social, and economic spheres. Our country's position in the socialist commonwealth is stronger, it is more active in the international forum.

The balance of gains and losses is a difficult one to calculate precisely. But one thing is certain: we have become richer in knowledge and experience, above all in the conviction that the line of renewal, reforms, and accord is the only choice for Poland. No country is paradise on earth, even the most powerful states experience failure, and have gone or are going through difficult periods. We are no exception. However, among our thousands of problems, one is particularly important today: Can we believe in ourselves? New year's evening, since ancient times, has nurtured human hopes. No nation could survive for long without the belief that the future will be better. We have been taught by history that things can always get worse, but it has also often been proved that in Poland things should and could be better.

Our expectations are accompanied by favorable changes in the international situation. The world is waking up from a long, bad dream. There are not many corners of the globe that have not yet been affected by the new thinking. The feeling that one period of history is passing away, followed by a new, brighter one, is becoming more and more widespread.

The last month has brought weighty Soviet decisions in the field of disarmament. Following intermediate-range missiles, a considerable number of tanks, guns, and airplanes will be scrapped. Thus, the sword will be shorter and the shield will be safer.

Each step that brings Europe closer to a state of permanent peace is also a step made on our way. This is emphatically evidenced by the decisions made by the National Defense Committee in November. Demilitarization of international relations has been and will be the beacon of Polish foreign policy. This corresponds with Poland's vital political and economic interests and expresses our national desire and will.

Citizens, more or less at the same time, on new year's eve 1943, a meeting was held in Warsaw at a house in Twarda Street, which no longer exists. It was the first meeting of the National Council [Krajowa rada narodowa]. That was the beginning of a new type of parliamentarianism. It was accompanied by an offer for a joint front and agreement. I have a reason for recalling this anniversary. At that time various opposing positions were waging an acute argument about Poland. The experience of past conflicts and those of recent years challenge and require that today they must be logically settled. It could be a great social compromise in which there will be neither victor nor vanquished, and small-minded squabbles will give way to honest patriotic dialogue.

Such a time has arrived in Poland. Our society has changed and is continuing to change. We are all changing or almost everyone. Yesterday's divisions do not have to last forever.

We incesstantly confirm our readiness for roundtable talks. We hope that they will result in the creation of a council of national agreement. This is becoming ever more urgent because in the forthcoming year we will elect a new Sejm. Its composition should more clearly reflect the natural differentiations of attitudes and views within society.

It is highly desirable for the work on the new electoral law to be done in the broadest possible circle, with the participation of milieus and persons who by virtue of their social activities, knowledge, and personal prestige could make a weighty contribution to this discussion.

Democratic forms of social life or political culture have never been created overnight. As far as this problem is concerned, our nation especially has not had the best experiences. However, during the past several years we managed to build a good deal, including some institutions and forms of social and political life the likes of which were until so recently unthinkable.

Despite the fact that it is always hardest to pioneer a trail, we want to continue to follow this road, the road of deep, bold transformations.

I do not want to abuse the listeners' patient on this holiday evening. It is easy to say something nice to everyone; it is more difficult to repeat for the hundredth or thousandth time truths that seem banal but of which we must be continually and persistently reminded.

I shall, therefore, limit myself to just one reflection, from which I am unable to free myself. We Poles have already seen once before that at the end of the First Republic, our own state, the fatherland of wise laws and many freedoms, was considered a usurper [uzurpator] and the opressor of freedoms. Anarchy and lawlessness took over. Many generations which followed paid for it with their own blood, defeat, humiliation, poverty and loss. [words indistinct]

A few weeks ago we celebrated the 70th anniversary of regaining our statehood. In a dignified and just manner we marked the memory of all the Poles who contributed to it. But it is not anniversaries which are important but the lessons which can be drawn from them. In the coming year half a century will have passed since the Hitlerite attack on our country. It wiped from the political map of Europe the state which was reborn after a century of partitions: "And in spite of everything she once again rose into existence." [unattributed quotation]

In July of the coming year 45 years will have passed since the birth of the Third Republic, our people's fatherland. The sovereign and stable country within these just borders—which give us a feeling of national security—is a priceless historic achievement, our greatest good; to better it all the time, but at the same time to respect, defend and strengthen it is our great moral and civic duty.

Dear fellow countrymen, 1989 will no doubt be full of important and significant transformations for Poland. What, therefore, can I wish you on the threshold of the new year. Let us all do everything to ensure that the coming year will open up broad new horizons for Poland, so that domestic changes will create permanent calm in our country, ensure social order and create strong foundations for national agreement; so that they will become a realistic and lasting contribution to the reconstruction and rebirth of socialism, to the process of detente in Europe. So that people have an easier life, so that acute inflation can be curbed, greater effectiveness of the economic reform is achieved and all of society's energy is released, so that we can progress faster and at the same time, so that socialist social justice can defend itself and gain in credibility. So that those priceless moral values, which we need like air, are strengthened, a higher culture in interhuman relations, care for those who have been affected by suffering, simple human goodwill.

I am addressing with respect the elderly citizens of Poland, those who have fittingly carried out and continue to honestly carry out their duty. I am also addressing sincerely young Poles, our successors, who will decide the fate of the homeland. At the juncture of these two adjoining generations the national past and future is simultaneously situated.

I most sincerely wish for all Polish men and women that the new year, bearing good hopes, will strengthen at the same time the feeling of realism and responsibility, that it will bring for our so sorely experienced, courageous, and creative nation strength, perseverance, and progress, and each one of you, dear compatriots, personal satisfaction, health, and success. Happy New Year.

### Olechowski Interviewed on 1988, 1989 Activities

*LD2912224488 Warsaw Television Service in Polish 1830 GMT 29 Dec 88*

[Studio interview with Polish Foreign Minister Tadeusz Olechowski by unidentified correspondent; date not given—recorded;]

[Text] [Correspondent] Minister, we have had the pleasure more than once this year of having you as a guest before our television cameras; our viewers had the opportunity to obtain direct information about international affairs. It is time, I think, for a few generalities: What did this year bring from the ministry's viewpoint, and what brought you, Minister, the greatest satisfaction?

[Olechowski] First of all this has been an interesting, intensive, and favorable year for the ministry. Favorable, as a whole, from the point of the international (?stance) which—and of this there is no doubt at all—tended definitely in the right direction: the East-West dialogue, the gradual damping down of regional conflicts, and finally, and so very important for the world, the dialogue of the two superpowers. Here I would stress the great role played by Soviet restructuring in the progress which has taken place.

[Correspondent] And in our bilateral relations?

[Olechowski] Well, in ours there were also many, many things happening. Certainly from the viewpoint of our region here, and also from the viewpoint of our neighborly ties, a very great event in the summer of this year was the visit of Mikhail Gorbachev to Poland, as well as the meeting of the Political Consultative Committee with the participation of the leaders of the highest authorities of all the Warsaw Pact countries. Also there was great liveliness in relations with the West—and this as much in the context of the building of a European home—where we have set in motion all sorts of contacts with the European Council and the European Parliament. I would like to mention here the latest and most important event in Warsaw—that of the conference of the chairmen of the European, U.S., and Canadian parliaments; and from the viewpoint of our ministry there were important political visits: the visit of Margaret Thatcher to Poland, the last visit of Premier Rakowski to Austria; and from my own post two important—for me but also politically—visits: the one to the United States in July, and a month ago to France. In both cases the resumption of normal relations with these countries.

[Correspondent] But there were visits, Minister, which did not in fact take place last year, even though we were counting on them.

[Olechowski] Yes. There was first of all my visit to the Federal Republic, at the invitation of Minister Genscher, which did not take place, It did not take place simply because, in the opinion of the Polish side, the preparations which had been agreed upon, and which were really to have given some great impetus to the achievement of, well, a breakthrough in our relations—these preparations were not finalized.

[Correspondent] You spoke, minister, about the generalities of our relations with our neighbors. First of all I would like to ask you about details, and that is because what we observe—for example on border crossings—does awaken a certain disquiet.

[Olechowski] We are making quite plain in our joint talks those matters which are of interest to each partner, and on the basis of this it is quite normal that controversial matters, or even matters which cause conflict, should arise.

[Correspondent] Another question, Minister, if you will, about plans for next year. I know that January is already very full for you.

[Olechowski] We shall begin an energetic international action in the disarmament sphere; on the initiative of President Mitterrand there will be a meeting of foreign ministers from Europe and from countries outside Europe in Paris as early as the beginning of January, where they will discuss the abolition of chemical weapons. Soon afterward we are expecting the end of the CSCE meeting on security and cooperation in Vienna, where we shall be trying to agree on a definitive mandate for setting in motion a discussion on the reduction of conventional arms.

But what will interest Poland, what will be of particular interest to our foreign policy apart from, of course, disarmament, but as a basic, priority subject, will be how, through an active foreign policy, through contacts with our partners, to strengthen the processes of reform, of transformations—the economic and social ones, and the political ones which are taking place in our country.

[Correspondent] Thank you very much. I am counting on it that next year too we shall also have the pleasure of having you as our guest before our television cameras.

[Olechowski] I shall be happy to accept any invitation. Thank you very much.

## Olechowski Interviewed on Foreign Policy

*AU3012104488 Warsaw ZYCIE WARSZAWY in Polish 23-26 Dec 88 pp 1, 10*

[Interview with Foreign Minister Tadeusz Olechowski by Zbigniew Ramotowski: "Diplomacy at a Time of Change"; date and place not given]

[Text] [Ramotowski] The "socialization of Polish foreign policy" is not only becoming fashionable, but your colleagues are also taking an active part in it. What does this concept mean?

[Olechowski] This is not a fashion, nor is it somebody's hobby. It is an objective process stemming from our sociopolitical reality. This reality consists of domestic reforms and a restructuring and improvement of the entire political system, which includes democratization and the emergence of new public institutions. The Polish diplomatic service, in fact the entire foreign service, is deeply involved in these changes. Hence the socialization of our foreign relations, which means, on the one hand, greater openness and social control over our work, and, on the other hand, society's greater influence on the shaping and implementation of foreign policy.

[Ramotowski] Could you give me some examples?

[Olechowski] You already know a lot from your own professional work. One example is the appointment of a Foreign Ministry press spokesman and his press conferences for Polish and foreign journalists. Another example is when your newspaper addresses questions us on behalf of its readers, and prints the answers under the heading: "The Foreign Ministry Spokesman Replies." Yet another example is attitudes toward the press and public opinion, as a result of which my colleagues and I try to give interviews, appear in programs, and attend conferences as much as we can. In a word, apart from the essential discretion and state secrets that are normal in every diplomatic service, we are turning over our cards as never before, and we are inviting society to evaluate what we are doing.

[Ramotowski] However, looking at someone's cards does not mean taking part in the game.

[Olechowski] That is true. I am not saying that everyone is to pursue foreign policy. The most democratic countries know the meaning of the words authority, responsibility, professionalism, and so on. However, Polish society's participation in foreign policy does not just exist on paper. After all, we ask for advice from experts outside the ministry, and seek opinions from various authorities on matters concerning basic foreign policy problems. Another example: I recently attended a Polish Institute of International Relations conference on the subject of our relations with the two German states. It was a very interesting debate, and I found it very useful. Apart from professional diplomats, experts in many fields took part, including scientists and writers. Another example, which occurred this month, was a joint conference on 1989 Polish foreign policy, attended by the leadership of the Ministry of Foreign Affairs and Ministry of Foreign Economic Cooperation, plus representatives of the PZPR Central Committee International Commission, the ZSL Foreign Commission, the SD International Affairs Group, the PRON International and Polonian Affairs Commission, the PZPR Pro-Export Policy Commission, the Sejm, the OPZZ, and social organizations. This long list shows how important the subject was. Socializing foreign policy means paying greater attention to the views of various milieus. In particular, it means a coalition method of government. Heeding the voice of the public is no longer a postulate. It is everyday practice.

[Ramotowski] This leads me to the next question, about the effects of this process. You have seen the work of the Foreign Ministry from various positions, including from the position of ambassador to various countries and deputy premier. Is it easier to lead the Foreign Ministry today, or harder?

[Olechowski] Every step we take toward democracy—and that is what we are doing—brings greater difficulties, just like in every other sphere. The decisionmaking process has become longer and more complicated. There are more advisory and control bodies. However, the result outweighs the effort. Foreign policy, whose objectives and methods enjoy firm support from every important political force, are understood and approved by most of society. They possess a firm foundation, and are therefore more effective.

[Ramotowski] What is the main objective of Polish foreign policy today?

[Olechowski] The basic objectives remain unchanged; they involve strengthening Poland's position in the world and creating favorable external conditions for the fulfillment of domestic needs, needs that are gauged by the interests and aspirations of citizens. In the case of Poland at the end of the 1980's, our constant objective, apart from permanent concern for security and sovereignty, is to support the economic and sociopolitical reforms. I repeat support, because it involves more than just protecting them. Support means creating the political and material conditions for the success of the reforms and increasing the force that propels the process of change.

[Ramotowski] How? Surely you will not tell me that your ambassadors in, say, Moscow, Washington, Prague, or Berlin determine what political, economic, and social pluralism means and give it a practical framework, or that your experts in the ministry are discovering a wonderful method of increasing exports?

[Olechowski] You are right, we have no recipe for increasing exports, but we are seeking other ways of helping our economy and accelerating the country's economic development. A country's international position depends mainly on its internal condition. Foreign countries, those closest to us and those further away, are still reacting energetically to our Polish problems and tensions. For example, two strike waves this year have cost us a considerable amount of the confidence we have gained in previous years. Once again, people painted a picture of a permanent crisis in Poland, once again they spoke about the incurability of the "sick man of Europe" and the "inability to reform the system." There were fears that a continuation of Poland's acute sociopolitical and economic crisis in successive years would threaten the Soviet "perestroyka," ruin the chances of transformations in other socialist countries, and disturb the development of East-West relations.

On the other hand, any positive features of life in Poland have a favorable effect on opinions about us, on our prestige, and on our chances in the world. Examples are the 10th PZPR Plenum, which has generated a huge amount of interest; a series of new political institutions, which have been welcomed; the work of the Rakowski government, whose energy and consistency are admired in the East and in the West; the "roundtable;" the Miodowicz-Walesa TV debate; Walesa's Paris trip; and the new economic legislation, all of which have caused foreign reaction.

Of course, all this is important. But in such a situation, at a time of major changes in the world, Polish diplomacy cannot wait and see what will come of it. It is no coincidence that this year we tackled the problem of normalizing economic-financial relations with the West and restructuring Poland's debts with particular energy. The agreement on restructuring $9 billion worth of debts to Western commercial banks, rescheduling $1.5 billion worth of foreign currency debts to the USSR until 1996-2000, or the first modest credits given by the International Financial Corporation that is affiliated to the World Bank are examples of the support I mentioned before.

I believe the progress in implementing the reforms in Poland, especially the economic reforms, will open up further chances and possibilities in this sphere. However, we diplomats, foreign service employees, still have a lot to do. Our work is permanent. For example, despite great efforts, we still have not succeeded in restructuring our debts vis-a-vis the creditors that are gathered in the Paris Club; it is still difficult to obtain credits from the IMF and World Bank, and normalize and develop economic-financial cooperation with Poland's main economic partners.

But returning to your question—that part of it about the political aspects that determine the mainstream of diplomatic activity—please notice that neutrality in international relations is pure theory. The basis of every economic or financial agreement is that each partner gives the other partner something. Partners have to be sought out and then convinced that it is worth doing business with them. And we are, first of all, involved in this seeking out. We explain the meaning of our reforms and the purpose of our Polish solutions and Polish model of democratic socialism. We furnish evidence that our changes are not cosmetic; they involve a real, thorough, and consistent restructuring of political and socioeconomic relations. We are overcoming old prejudices, misunderstandings, and downright ignorance. If we fail to convince those who are distrustful or unwilling, we at least try to make them interested in the truth about today's Poland. Facts are the best arguments. Of course, we have to have these facts.

[Ramotowski] We are talking about Polish diplomacy at a time of change—change in Poland and in the whole world. I believe that the Western conditions affecting our reforms are known well enough. What about Eastern conditions?

[Olechowski] Well, each of our friends and allies assesses us on the basis of his own experience and in the light of his own interests. The degree of political support for the Polish reforms varies from one country to another, just as the extent of reform varies in each of them. That is understandable. However, unlike some western countries, no one in our community is trying to hurry us, no one is making us account for our actions, no one is imposing conditions and stirring up trouble. The countries closest to us are monitoring our solutions with the greatest interest.

That is valuable. Most valuable, however, is the fact that our allies include firm supporters for our reforms. The success of one country encourages success in another, encourages positive changes there, and enriches experience.

We do not need to dream up complicated explanations in order to show that what is happening in the USSR, Poland, or Hungary goes far beyond the borders of these countries. With all the different paths these countries are following, there is a common aim to finally shake off the bonds of Stalinism and present socialism with new development possibilities that it has never known before. To put it bluntly, this is meant to be an effective and democratic socialism. A victory by such socialism, and especially a victory by "perestroyka," is important not only for the Polish reforms, but for international relations as a whole as well. The positive influence of the Soviet changes, especially of the "new thinking" in foreign policy, is no longer questioned by anyone.

For us, all this means something more. Alliance, friendship, and comprehensive cooperation with the Soviet Union—which have for a long time formed the basis of the Polish raison d'etat because of joint security interests, among other things, have now assumed extra importance. Regardless of the direct and tangible results of cooperation, we are gaining something else. The political importance of our cooperation with the USSR is growing, and that is one of the chief criteria determining our position in the international arena.

[Ramotowski] During the recent Polish-West German meeting in Warsaw, one of the speakers, a distinguished writer and political activist, observed that the interests of Polish and Russian rulers are identical for the first time in 200 years.

[Olechowski] Not just rulers, but probably all of society.

[Ramotowski] However, practice shows that the interests of our community are not identical in every country. Each country has its own approach toward the past and future of socialism, there are border disputes, and there is even competition for good relations with the highly industrialized Western countries. Does that not disturb you?

[Olechowski] A Polish foreign minister ought to be disturbed by anything that harms the supreme joint interests of the socialist countries, such as security and progress with the already delayed integration, especially anything that harms Polish interests. However, I would warn against exaggeration. There have always been clashes of opinion, and not only in our part of Europe. The only difference is that these differences have never been as clear as today. Economic problems in some countries, especially problems with supplies, are a source of additional anxiety, especially because some travelers, and not just Poles, exceed the limits of decency and indulge in speculation and capitalize on the shortage of goods in shops. We are in favor of a partnerlike settlement of all problems, and I am confident we can also solve the more difficult ones that have lasted a long time.

As far as international traffic is concerned, I categorically reject the notion that borders should be closed and passports confiscated. The relaxation of travel regulations is an integral part of the political reforms, without which the economic reforms will not work. Of course, the relevant authorities will not remain indifferent to schemers who conduct criminal activity, but they will also not cease their efforts to see to it that a Polish tourist abroad feels as well as European standards allow him to.

The complications involving travel between the socialist countries draw one's attention to another, basic issue: the need to make clear progress in our own East European integration. Poland's activity for the sake of altering and modernizing the mechanisms of CEMA is well known and supported by some of our partners, especially the Soviet Union. This is a great and urgent task. Obviously, the point is not just to guarantee better conditions to tourists, but to reap the economic advantages offered by the international division of labor. It is not in our community's interests to delay radical solutions. This merely exacerbates the already great differences between the community and the most developed countries in Europe.

[Ramotowski] We will certainly not avoid new dangers posed by the rapid West European integration. The year 1992, when the EEC area is to become a single market, is another change that represents a challenge for Polish diplomacy. To what extent can we overcome the negative effects of European divisions and prevent their exacerbation?

[Olechowski] Reality will not disappear if we close our eyes and block our ears. The experience of past decades, including our East European nonrecognition of the EEC, has taught us a lot. Of course, the process you mention is a challenge in itself, and not just for Poland and the other socialist countries. What are we doing? We have recognized the EEC, we have established diplomatic relations with it, and now we are negotiating a trade agreement. What are our chances of proving equal to the competition and conducting favorable business? That depends mainly on our economic strength and political modernity. In many respects—socially, geographically, and historically (with millions of Poles scattered all over the world)—we have exceptionally good conditions for a policy of openness with the West while remaining politically in the East. This can serve as a kind of bridgehead to aid the integratioin of Europe.

[Ramotowski] Minister, are you not too much of an optimist? Do our daily problems with telephones and toilet paper permit such a vision as yours?

[Olechowski] I suspect that you, sir, are too much of a pessimist. I am a realist, and try to forecast the development of the situation over a longer period of time. A healthy economy, which we are trying to achieve, may guarantee adequate supplies of toilet paper in a few days' time, and may expand the telephone network in a few years' time. However, the long process of building a new Europe involves something more—the nation's mind and spirit, political will, geographic situation, human and material potential, ability to react to world scientific developments, and ability to join the international division of labor. We can already fulfill some of these conditions today, and the rest are attainable. If you mention, and not without reason, toilet paper, then I will mention the new passport policy and the freedom of travel enjoyed by millions each year. If you lament, again not without reason, over the state of our telephone network, I will mention other, increasingly universal phenomena like computerization and satellite television. We can achieve things if we want to.

[Ramotowski] Assuming, of course, that external conditions permit it.

[Olechowski] They do! Never in our entire socialist statehood have they been as favorable as today, and a lot indicates that we are not merely in a "season of good weather."

First, and I underline this once again, the Soviet restructuring, the new and unprecedented mutual relations with the USSR, and favorable relations within the socialist community are of major importance to us. They encourage our own Polish searches and activity. Notice that no one questions a partner's and ally's right to have his own solutions, and no one restricts boldness of vision and tries to impose his own standards on others.

Second, relations between the USSR and United States, in fact between East and West, have changed in a clearly positive way. Cooperation instead of confrontation, a rejection of the classical image of the enemy, and the achieved and expected results of the disarmament process permit the world and us to breath more calmly, and give us greater freedom of action inside and outside the country. It has been our philosophy of peace to seek our own security in the security of others. The supreme objective of all Polish proposals, from the Rapacki Plan to the Jaruzelski Plan, has been to guarantee permanent security by increasing confidence and reducing arms expenditures. This is the direction in which we are heading.

Third, we have a major role to play in a Europe that is becoming a common home, a role advantageous to us and Europe. The new thinking in international relations and therefore reduced emphasis on ideology—in other words, a reduction in the possibilities of confrontation—allow us to take creative part in the "Europeanization of Europe" to a greater extent than before, and at the same time to take advantage of the sociocultural heritage of East and West.

[Ramotowski] But will we manage to use this chance? It is no coincidence that we feel that we are the rear door of Europe.

[Olechowski] That depends on what we mean to Europe. It depends on the functioning of Poland and the effectiveness of our reforms. Europe needs Poland, but a Poland that is modern, strong, stable, and internally calm. Partners like that are valued and appreciated, and weak ones only get sympathy. I believe we can afford to earn the authentic and lasting respect of others.

## Report on Rakowski 10th PZPR Plenum Address

*AU3012150188 Warsaw TRYBUNA LUDU in Polish 22 Dec 88 p 2*

['Abridged' report on speech by Premier Mieczyslaw Rakowski at the 10th PZPR Plenum in Warsaw on 21 December]

[Text] In his speech, Premier Mieczyslaw Rakowski described the economic situation, the difficult material situation of most people, and the bad mood caused, among other things, by inflation and market difficulties. Against this background, he discussed the work of the government which he has headed for almost 3 months. It is obvious, he said, that the government will continue to devote its energies to implementing the economic reform and tidying up the entire economy, which of course does not mean ignoring everything that comprises the country's sociopolitical situation.

Allow me to recall events that are embedded in our memories. The prices and incomes increases, strikes in April-May and August-September, the appointment of a new government—these are events that unfortunately made people in Poland and abroad convinced that Poland is in a permanent political crisis and is an unreliable partner. Next year we should make a great effort to eliminate the basis for the opinion that Poland is a country that cannot cure its crisis.

It is understandable that the events I have mentioned have not only stirred up the opposition, but have also increased its leaders' hopes for greater room to maneuver. We can understand that. If we were the opposition, we would feel the same.

On the basis of an objective assessment of our strength and the development of the situation before our eyes, we can say that the party leadership has continued the policy of accord and struggle. This was and is the only correct strategy. Thanks to it, we have broken the isolation in which we found ourselves after 13 December 1981, and have gained the support of a major part of society for our policies.

The policy of accord and struggle gave birth to the idea of the "roundtable." The intention behind this "roundtable" was to proceed from declarations to consultations, and from minor steps to a single great stride toward a general accord with the constructive opposition. This accord would cover, among other things, Poland's future political pattern; the forms and limits of the constructive opposition's participation in public life, including parliamentary work; and this opposition's joint responsibility for the state and the reforms. While deciding on the topics needing to be covered by the "roundtable," we also realized the need to discuss socioeconomic reforms and a model for the Polish trade union movement.

Further in his speech, M. Rakowski said: The aim to reach such a compromise is not the result of our weakness or impotence. On the contrary, unlike the opposition, we hold powerful trump cards, the most powerful of which is an extensive program of socioeconomic reforms. The opposition does not have such a program. Basically, all the opposition is doing is making faces and saying no to everything, or repeating the objectives already contained in our own programs.

Our aim to reach a compromise is mainly the result of a profound and careful analysis of the changes taking place in the entire socialist camp toward the end of the 20th century. Political systems are subject to constant change. If they become stagnant, there will always be some force to break the stagnation. The important thing is who is behind such forces. In Poland, only the left wing is capable of breaking this stagnation, and indeed it has done so. This happened the moment we embarked upon the path of reforming our socioeconomic system.

Having discussed the eventual political-social effects of the "roundtable," the premier said: When we suggested holding a "roundtable," our aim was to expand and enhance national accord. This met with society's appreciation. Most adult Poles supported the idea, and according to the Public Opinion Research Center, 50 to 60 percent of the adult population thought that the "roundtable" could change things for the better and that these talks would end on a positive note.

The opposition's reaction to the talks aimed at an accord with the authorities has revealed a split within it—a majority that wants to reform relations in Poland without overthrowing the existing system—at least that is what it assures us; and a minority that holds the view that there is nothing to discuss with Communists, that they have to be combated, that socialism cannot be reformed, and that one only has to wait until the right moment for a political coup to take place. The split has become more defined.

Finally, the idea of the "roundtable" itself has earned the support and appreciation of our primary allies and the West.

However, implementing the "roundtable" has encountered difficulties. The first was the opposition's questioning of the political scope of the meeting—in other words the question of how far an eventual accord was supposed to go and between whom it was supposed to be reached. It ought to be firmly stressed that, for us, everything that is connected with assuring Poland's continuing socialist development possesses the highest value. If anyone among the constructive opposition thinks we will abandon this principle, he is very much mistaken.

The next obstacle was that the opposition waited for the authorities to publish their stance vis-a-vis the opposition's basic postulate, the legalization of "Solidarity." We think it is high time to stop this game. It is time for our future partners to sit down at the "roundtable" without any preconditions, as they have committed themselves to do.

After all, we are saying all the time that we wish to discuss with the OPZZ and with the moderate leaders of the former "Solidarity," a future trade union model that is different from the present one. We are not scared of the pluralism that was written into the 1982 trade union act. However, this pluralism depends on an accord about its principles, forms, time, and other features that permit new steps toward it.

At a time of stormy changes, political events occur that often cause a change in the political situation in a twinkling of an eye, said M. Rakowski. He said that 90 percent of society thought that the Walesa-Miodowicz television debate was necessary.

On the basis of opinion polls and of a careful monitoring of what people have said about this debate, one can conclude that not only has Walesa's position among public opinion improved since this debate, but support for a reactivation of "Solidarity" has increased as well. Western media played no small role in presenting Walesa as a "victor." One cannot shut one's eyes to such reality. A new situation has emerged in Poland following this debate. Would it be right to call it a worse situation?

In the debate, the support of most of society was won not by the Lech Walesa of August 1981, who spoke in Radom about a "fight to the death," but a new Lech Walesa with a different political profile. Let us recall that he appeared in this debate as a supporter of accord and compromise. Although he did call for the legalization of "Solidarity," which is understandable, he also said that this organization must be different than what it was in 1980-81, that it must be a purely trade union organization that acts in accordance with the 1982 trade union act, to which "Solidarity" activists replied with a boycott in the past. He admitted that the activity of "Solidarity" could create the danger of anarchy, and that there was a need to apply resources to minimize this danger. He said that strikes are only an ultimate solution. He approved of the changes in the USSR. He professed political realism and reforms. In a word, he showed himself to the public as a supporter of accord and gradual reforms, and as a man who understands the need for compromise. He affirmed his stance at press conferences and in interviews for newspapers. He did not abandon his stance in Paris, where some emigres went as far as to persuade him to become a warrior of anticommunism.

Can one believe that Walesa's attitude is permanent if this man has changed his mind so often and is under pressure from his radical and uncompromising supporters?

Perhaps I am wrong, but I think one can assume that his conciliatory attitude and that of the activists around him is permanent for three reasons. First, every politician pursues a line that guarantees him success in the form of support by the majority. Walesa and his moderate advisers know that today, after so much experience, most Poles are opposed to adventurism and anarchy. What is more, he knows that we have not forgotten what pushed Poland toward national tragedy in 1981 and in the subsequent years. Second, the international situation today is different from what it was in 1981. It is not in the West's interests to create a sharp political conflict in Poland. Such a confrontation would upset Mikhail Gorbachev's line, and that does not lie in the interests of Western politicians who assess world developments in an objective manner. And third, the church is concerned that relations inside Poland be altered by means of accord. It is not easy to oppose the line of the church, and Walesa and his advisers, most of whom are involved with the church, would certainly not dare to do so.

There is yet another factor which I would like to present for your consideration. We say that gradual but thorough reforms in the political system and regulations of social life are required. The constructive opposition says the same, though it interprets many things differently and, to put it mildly, is not necessarily intent on consolidating socialism as we understand it. One cannot rule out the fact that the ranks of this opposition include people who want to gradually erode socialism.

We are making it difficult for them to attain their goals because of our radical socioeconomic reforms. These radical socioeconomic reforms are compelling the more realistically-minded opposition activists to concede to the country's chief political force—our party and its allies.

When we hold talks with members of the constructive opposition, we need not have an inferiority complex. Fighting politically against our ideological adversaries, we have enough arguments at our disposal to defend, protect, and consolidate socialism in our country. According to everything that key opposition activists have written, it does not look as if they have a more realistic and more attractive program of restructuring socioeconomic relations, said M. Rakowski.

In connection with the events and phenomena mentioned by him, the premier addressed a series of questions to the Central Committee about the structure of forces in workplaces and society and the attitudes of party members and trade unionists vis-a-vis "Solidarity" and L. Walesa's latest stance. Would it not be an anachronism to adhere to the divisions of several years ago, when today the divisions may be different and more complex? How open are we to the new solutions, and how much have our adversaries from 1981 learned since then, asked the premier. Further questions from him referred to the situation in the trade union movement, the future shape of the movement, and ways of establishing government-trade union cooperation at a complicated time of profound economic reforms.

Next, the premier said the following:

Today we are witnessing two parallel processes. One of them is a growth in confidence in and support for Lech Walesa and the constructive opposition. The other is a visible and tangible growth in confidence in the new government and the considerable support for our undertakings.

These two processes complement each other. Many people support what the government is doing, and at the same time would like to see greater freedom restored to "Solidarity" and greater importance accorded to the moderate opposition in political life.

Finally, M. Rakowski asked the Central Committee the following question: How is the base of government to be expanded from the point of view of cadres? He also asked the following particularly important question: Will compelling forces and people who are disappointed with "Solidarity" not weaken the socialist nature of our reforms and transformations? Or will it strengthen socialism, because some of these people will join in the implementation of these reforms?

Esteemed comrades, he continued. There are many more questions than these. They do not illustrate any impotence or groping in the dark on our part. I have asked them because the replies can only be supplied by joint thinking on the part of the Central Committee, party leadership, and party aktivs. Replies to them will be important for the future of Poland and our party. They also possess broader significance. The future of socialism as a universal concept depends to a certain extent on how we answer these questions here in Poland.

I have tried to put these questions bluntly. The situation requires it. I do not expect immediate replies, for that would be too hasty and dictated by emotion. Please consider all these matters and find answers to them by talking to your colleagues in party committees and nonparty circles.

The second half of today's plenum will take place in the middle of January. I expect we will return to these topics then. I also expect you not to reply by means of warnings, telling us not to do this or that. We have to decide what to do together. We have to say: If we cannot do this, then what can we do, and if if we cannot do it this way, then in what way can we do it?

The situation not only calls for new programmatic thinking, but also replies to very urgent questions. Your answers to them will determine what we are to do, and what we do will determine the future of socialism in Poland and the country's path of development.

## Ceausescu Delivers New Year Greetings, Speech

### Receives Holiday Well-Wishers

*AU2912183688 Bucharest AGERPRES in English 1730 GMT 29 Dec 88*

["Celebrating 'Plugusorul' (Little Plough) in Romania"—AGERPRES headline]

[Text] Bucharest AGERPRES 30/12/1988—Thursday, 29 December, right before the New Year, thousands of children and youths came to the Headquarters of the Central Committee of the RCP in order to pay the homage of the country's young generation and to address the traditional "a happy New Year" wish to the general secretary of the Romanian Communist Party, Nicolae Ceausescu, president of the Socialist Republic of Romania, and to Mme Elena Ceausescu.

Participating in the "plugusorul" celebration were full and alternate members of the Executive Political Committee of the CC of the RCP, secretaries of the party Central Committee, representatives of the leadership of the student and young pioneers' organizations as well as people working in enterprises and institutions in the Romanian capital.

After the celebrations which proceeded according to fine folk traditions, groups of well wishers in exquisite folk attire specific of all the zones of the country went near President Nicolae Ceausescu, Mme Elena Ceausescu and the other members of the party and state leadership, to wish them well in the "sorcova" tradition.

To the applause of the attendance, President Nicolae Ceausescu took the floor.

The young well wishers were then invited into the Headquarters of the Central Committee, where they were offered New Year's presents.

### Addresses New Year Well-Wishers

*AU2912184688 Bucharest AGERPRES in English 1734 GMT 29 Dec 88*

["President Nicolae Ceausescu Address on Receiving the Children and Youth's Representatives"—AGERPRES headline]

[Text] Bucharest AGERPRES 29/12/1988—In an address made on December 29 on receiving the representatives of the Romanian children and youth, who went to the big square in front of the CC of the RCP Headquarters in order to extend to him New Year's wishes, according to popular tradition, President Nicolae Ceausescu showed that the Romanian people ended the year 1988 with important results in all domains of activity.

Everything we have achieved this year as well—just as, in fact, all along the period of socialist construction, the speaker said, is the result of the policy of our Communist Party, it demonstrates the correctness of the policy and practical activity of the party that applies the general principles of scientific socialism, the general laws of human society's development to the country's realities, and demonstrates our people's force.

Noting that the year 1988 was a year of deep-going changes in international life, in the world balance of forces and assessing that certain steps were taken, a beginning in the negotiated settlement of trying conflicts and issues, the Romanian head of state declared: We must tell it openly that in general the expectations of our people, of all peoples of the world were not accomplished to the full, the international situation is still rather complex and grave. As the danger of a world war that would inevitably turn nuclear is still maintained, disarmament has to be achieved, nuclear disarmament above all, and a world free of weapons and wars has to be built, the speaker stressed.

Romania, our people, President Nicolae Ceausescu mentioned, will do their utmost in order to contribute to the accomplishment of these aspirations of the whole of mankind, for a united Europe, in full freedom, of free and independent nations, a Europe free of weapons, a Europe of peaceful collaboration. We declare and work for collaboration in the Balkans, for the settlement of the world's complex issues only by negotiations. We wish and will do our utmost for the year 1989 to bring concrete achievements on the path to peace, collaboration, economic and social progress, the speaker showed, stressing the imperious requirement of a real passage to a new thinking and a new economic policy, to a new policy in international life, of a resolute end to the policy of strength and dictate, of interference in other states' affairs.

### Gives New Year Message

*AU0101171189 Bucharest Domestic Service in Romanian 2130 GMT 31 Dec 88*

["President Nicolae Ceausescu's New Year Message," delivered on 31 December 1988—recorded]

[Text] [Passage indistinct] In this year, too, the Romanian people, led by our glorious Communist Party, have obtained new and important achievements in promoting their socioeconomic development and increasing industrial and agricultural production, national income, and the overall wealth of our fatherland. Important successes have been scored in the development of science, education, and culture, which are basic elements of our socioeconomic progress. In 1988, we have achieved an important number of investments in industry, agriculture, and other national economic sectors as well as in housing and other sociocultural projects.

In accordance with our party-state overall policy of further raising all the people's material and intellectual well-being, in 1988 we have started the process of increasing remunerations and pensions and in the last part of this year, some 4 million working people benefitted from these increases. At the same time, we made strenuous efforts to improve and organize socioeconomic activity, the management and planning of all sectors, and the activity of the state and other bodies of our revolutionary workers democracy. The broad discussion of the main problems and of the current stage of socialist construction in our fatherland—a discussion conducted within the entire party and society, on the basis of the April theses—has strongly emphasized the great achievements obtained by the Romanian people in socialist construction. Likewise, at the great democratic forum held at the end of last November, we examined the current stage of Romanian socialist society and we set forth the guidelines for our future development in the next decade, up to the year 2000, and in certain spheres, up to the end of the first decade of the third millennium. These guidelines will ensure the strong development of all fields of activity and the unswerving implementation of our party program on building the comprehensively developed socialist society and paving the road for the fatherland's advance toward new peaks of progress of civilization and toward mankind's golden dream, communism.

As true revolutionaries, we must say now, at the end of the year—in a spirit of full responsibility before the party and people—that not all socioeconomic development plans and programs have been commendably fulfilled. We must point out that the Romanian people, closely united under the leadership of the Communist Party, have obtained important overall achievements, which raised the fatherland's overall development level and increased the nation's well-being. For all the great achievements obtained this year, I wholeheartedly extend warmest congratulations to our heroic workers class, peasantry, intelligentsia, all working people, regardless of nationality, and the whole nation and I wish them new success in the efforts to raise our fatherland to new peaks of progress and civilization, to increase all the people's material and intellectual well-being, and to continuously strengthen Romania's independence and sovereignty.

Dear comrades and friends, last November's great democratic forum, the various sessions of other democratic bodies, and the Grand National Assembly adopted our socioeconomic development plans and programs for 1989, the fourth year of the eighth 5-Year Plan. The next year is a decisive one for the fulfillment of our strategic goals of intensively developing the entire economy, on the basis of the latest scientific-technological results, achieving a new quality of life and work, and proceeding to a new stage of our fatherland's development.

Everybody is familiar with the 1989 development plans and programs, which were discussed in detail and unanimously endorsed by all bodies of our revolutionary workers democracy, by all working people in all fields of activity, and by our whole nation. These plans provide for an important development of industry, agriculture, and other sectors of activity next year as well as for a further increase in the material and intellectual living standard of the people. It is now decisive to resolutely proceed, as of the first day of the new year, to implementing the 1989 targets. It is necessary to unswervingly implement existing plans and programs in all spheres of activity; to resolutely strive to implement the programs on organizing and modernizing of all sectors; to improve the activity of science, education, and culture; and to organize our entire activity on the basis of the latest achievements of science, technology, and the new agrarian revolution. Let us ensure that in 1989, the year of the 14th RCP Congress and of the 45th anniversary of the victory of the antifascist and anti-imperialist revolution for social and national liberation, we will obtain the best ever results in industry and the largest outputs in agriculture, will commendably implement our investment programs, and will promote the progress of all spheres of activity.

By next August, we will conclude the process of remuneration and pension increases, thus ensuring an important growth of overall incomes and an increase in the material and intellectual living standard of the people. We should take resolute steps, from the first day of the new year, to ensure appropriate material and technical supplies for and the smooth development of industrial production, to increase labor productivity and the qualitative and technical level of production, to reduce production costs and material expenditures, and, on this basis, to raise economic efficiency and profitability in all sectors of activity.

At the same time, we must pay particular attention to developing economic exchanges and production sharing, commendably fulfilling the production earmarked for export, and participating in and implementing our programs of cooperation with CEMA and other socialist countries, with the developing countries, and with the developed capitalist states. Let us firmly engage ourselves and actively participate in world cooperation and the international division of labor, as part of our policy of building socialism in our fatherland, of developing friendship with all nations, and of promoting peace throughout the world.

Let us resolutely work to improve our entire activity, to unflinchingly implement the principles of self-management and self-administration, and to ensure the proper functioning of the bodies of our revolutionary workers democracy. Let us further increase the party's leading political role in all spheres of activity. Let us further strengthen all our people's unity, within the Socialist Democracy and Unity Front, which is a decisive prerequisite for the fulfillment of all plans and programs to promote our socioeconomic development and raise the whole nation's material and intellectual well-being.

Dear comrades and friends, citizens of the SR of Romania: In 1988, important events have taken place in political and socioeconomic life and important changes have occurred in the overall balance of power in the world. One can say, that the relative parity between the two basic trends in international life has been and continues to be preserved. In general, one can say that the international situation continues to be complicated, contradictory, and grave at the end of this year. After the signing of the 1987 treaty between the the Soviet Union and the United States on eliminating intermediate- and shorter-range missiles, talks on new accords on nuclear weapons were resumed this year and negotiations were started on reducing conventional armaments and eliminating chemical weapons. However, this year concludes without concrete results, actually without any real result.

Important steps were made toward halting certain military conflicts and concluding agreements on settling various conflicts, however without fully solving them. Therefore, one can say that the nations' hopes that 1988 would mark new and important steps along the road of nuclear and conventional disarmament, of detente, and of cooperation did not come true. One can justifiably say that the danger of a world war still exists; such a war would inevitably turn into a nuclear war and lead to the destruction of life itself on our planet.

Nuclear tests continued to take place and are still being carried out; new nuclear weapons were produced; NATO examined and adopted decisions on modernizing a whole series of nuclear weapons; and further weapons are being introduced into outer space. In these circumstances, it is difficult to say that a radical change has occurred in the international life. On the contrary—I reiterate this and I must clearly state it, in the spirit of high responsibility for our people and all nations—the world situation continues to be serious. It is necessary now, at the start of the new year, 1989, to clearly emphasize that all realistic, progressive, and anti-imperialist forces and all nations should intensify their resolute struggle and action to bring about a radical change in the international political life. Let us ensure that 1989 will see the conclusion of new agreements and understandings on disarmament. Let us resolutely work to ensure that the Soviet Union and the United States reach an accord on a 50 percent reduction of strategic nuclear weapons. Let us take firm steps to ban all nuclear tests, to halt the modernization of the remaining nuclear weapons, and to prevent the militarization of outer space. Let us ensure that outer space is used for peaceful purposes alone. Let us strive to reach overall agreements on the elimination of nuclear weapons in several stages. Let us do all we can to ensure that 1989 will mark the start of negotiations on substantially reducing conventional weapons and to conclude agreements on eliminating chemical weapons and radically reducing military expenditures.

Romania believes that the Vienna conference on cooperation, security, and disarmament should conclude with the best possible results in the first part of next year, by adopting such resolutions that can pave the way for broad economic, scientific-technical, and cultural cooperation among all peoples on our continent. The documents and resolutions to be adopted there should proceed from the realities of our era, from the latest successes of science and technology, and from the overall achievements of human knowledge. We advocate a Europe of equal cooperation among all nations, a Europe of science, culture, and socioeconomic progress as well as of well-being and happiness for each nation, a united Europe with diverse social systems, a Europe of free and independent nations. Romania speaks out for important progress in the Balkans in the coming years, along the road of cooperation and of the achievement of a nuclear and chemical free zone here, without foreign military bases. Let us ensure that 1989 will mark the implementation of existing accords and understandings on peacefully solving various conflicts; the transition to eliminating all conflicts, through negotiations; and the start of the international conference on the Middle East, which can fulfill the Palestinian people's aspirations to live in their own state, in close cooperation and peace with all their neighbors.

In view of the deterioration of the situation of developing countries in 1988 and the growth of their foreign debt, Romania speaks out for a global solution of the problems of underdevelopment, within the framework of a UN-sponsored international conference, and for a new world economic order. It is necessary to do all we can to ensure the equal participation of all states in the resolution of international problems, particularly the small and medium-sized, nonaligned, and developing countries. Likewise, it is necessary to take resolute steps to increase the role of the United Nations and other international bodies in democratically solving the complicated and grave problems of the international life. Socialist Romania is determined to resolutely work to broadly develop cooperation with the socialist countries, the developing countries, the developed capitalist countries, and all states and nations in the world, on the basis of the principles of full equality of rights, respect for independence and sovereignty, noninterference in domestic affairs, and observance of each people's right to freely choose its development path [passage indistinct].

Dear comrades and friends, citizens of the SR of Romania: We are stepping into the new year with full confidence in our people's strength and creative capability. On the basis of achievements to date, we are confident that we will fulfill our socioeconomic development programs and ensure the victory of socialism and communism in our fatherland. Let us pledge that all of us will act as true revolutionaries, in the spirit of the scientific concept about world and life and of the principles of scientific socialism, to increase the spirit of responsibility for work, to enhance order and discipline, and to unflinchingly observe party decisions and the country's laws. Let us pledge to unswervingly fulfill the 1989 plans and improve activities in all socioeconomic development spheres.

May the new year that is starting now bring new and great achievements for our people in all fields of activity. May it raise our fatherland to new peaks of progress, civilization, well-being, and happiness for our people and to the highest pinnacle of the socialist and communist civilization. May the new year further enhance Romania's material and intellectual strength, independence, and sovereignty. May 1989 bring all nations new achievements along the road of disarmament, peace, cooperation, and the creation of a better and more just world.

Dear fellow citizens, on New Year's Eve I extend to you warmest revolutionary wishes for new and important achievements along the road of Socialist Romania's continuous development and of cooperation and friendship with all nations in the world.

Dear comrades, I wholeheartedly wish you all the best, full satisfaction in work and life, and much health and happiness. A Happy New Year.

## Leaders' Public Appearances for 18-24 Dec

AU2412191988 [Editorial Report] Romanian media report the following public appearances of Romanian leaders during the 18-24 December period (Bucharest AGERPRES English sourceline of each report is given in parentheses):

Nicolae Ceausescu, RCP secretary general and president of Romania, began official talks with SFRY President Raif Dizdarevic in the presence of Ioan Totu, PEC candidate member, and Ioan Ungur, minister of foreign trade and international economic cooperation, in Bucharest on 22 December. (1943 GMT 22 Dec 88)

Radu Constantin and Ioan Totu, PEC candidate members, accompanied SFRY President Raif Dizdarevic on his visit to Bucharest residential areas on 23 December. (1640 GMT 23 Dec 88)

Ion Stoian and Nicu Ceausescu, PEC candidate members, met ith a delegation of youth of the Israeli Labor Party, in Bucharest on 19 December. (1733 GMT 19 Dec 88)

Nicolae Ceausescu received the credentials of the new Togolese ambassador, in Bucharest on 19 December. (1722 GMT 19 Dec 88) The same day he received the credentials of the new Pakistani ambassador (1610 GMT 19 Dec 88) and granted an interview to the FRG paper DIE WELT. (1605 GMT 19 Dec 88)

Nicolae Ceausescu welcomed SFRY resident Raif Dizdarevic (1614 GMT 22 Dec 88 ) and exchanged toasts with the latter at dinner, in Bucharest on 22 December. (1948 GMT 22 Dec 88)

Nicolae Ceausescu saw off SFRY President Raif Dizdarevic, in Bucharest on 23 December. (1520 GMT 23 Dec 88)

Vasile Barbulescu, secretary of the Central Committee of the RCP, was received by Todor Zhivkov, BCP Central Committee General Secretary, in Sofia on 20 December. (0736 GMT 20 Dec 88)

Ion Sirbu, secretary of the RCP Central Committee, received a PZPR delegation, in Bucharest on 23 December. (1858 GMT 23 Dec 88)

Ilie Ceausescu, deputy minister of national defense and secretary of the Higher Political Council of the Armed Forces, attended a reception at the SFRY embassy on that country's Army Day, in Bucharest on 20 December. (1820 GMT 20 Dec 88)

Ioan Ungur, minister of foreign trade and international economic cooperation, signed a trade protocol with his SFRY counterpart, Nenad Krekic, in Bucharest on 23 December. (1645 GMT 23 Dec 88)

## FEC Resignation Elicits Speculation, Discussion

### 'Likely' Premier Candidates Cited

*LD3012211388 Belgrade TANJUG in English 1923 GMT 30 Dec 88*

[Text] Belgrade, December 30 (TANJUG)—A resignation is a logical end to a government, responsible for trebling inflation and failing to establish an atmosphere conducive to implementing the economic reform during its term in office even though incomplete, said the federal parliament delegates in TANJUG's mini-poll.

The delegates expect that the new government will curb inflation, be more operative and decisive than the Mikulic government and be ready and capable of fulfilling the proclaimed reform of the economic and social system.

One of the deputies said he did not believe that Yugoslavia would get a government capable of checking the galloping inflation, currently running at 230 percent.

The Central Yugoslav Radio cited Oskar Kovac, who resigned in mid-December from the outgoing government owing to a disagreement over interest rates, as the most probable candidate for the new prime minister.

In earlier commentaries, the press cited Serbian Party leader Slobodan Milosevic and Croatian Presidency member Ante Markovic as likely candidates for the Yugoslav premiership.

There is no doubt that there had been too many mistakes in the country's economic policy. The majority of the government's solutions, decisions and measures, which have been surprising us each year, had failed, said Radio Ljubljana's commentary.

By resigning, the Yugoslav Government introduced an important qualitative change in the organization and work of the Yugoslav state, said Radio Ljubljana's Belgrade correspondent.

By using the general unfavourable situation in the country, some republics which Mikulic had offended attempted and succeeded in toppling him, the Novi Sad daily DNEVNIK considers.

Economic difficulties, impatience over the increasingly difficult situation as well as the lack of political will and agreement in the country for overcoming the crisis, are the major accents which the new, ninth Yugoslav Government will inherit, Dnevnik states.

### Resignation Seen as 'Responsible Act'

*LD3012204488 Belgrade TANJUG Domestic Service in Serbo-Croatian 1606 GMT 30 Dec 88*

[Text] Belgrade, 30 Dec (TANJUG)—The resignation of the federal government was noted at the joint session of both chambers of the SFRY Assembly convened today to allow the delegates to hear the statement by FEC President Branko Mikulic, on the FEC's collective resignation.

The government which has resigned will stay in office until the new FEC has been elected.

Following a lengthy statement by Branko Mikulic, Stjepan Novakovic, who was chairing the joint session, reminded the delegates that under the Constitution and the Assembly standing orders the delegates do not vote on the resignation.

Following Mikulic's statement Novakovic asked the delegates if any proposed to hold a discussion on the resignation, to which they are entitled.

Since no one made that request, Novakovic said:

"Taking advantage of its constitutional right, the FEC has submitted its collective resignation. The times in which we live, the times in which we are facing many difficulties, require all the factors to work as efficiently and as speedily on the elimination of the present difficulties and on devising more sure ways for a more rapid way out of the crisis.

The FEC has been making great efforts but, as Comrade Mikulic said, the expected results have not been attained. For this reason this action by the FEC is justified and understandable and must be understood as a responsible act, Novakovic said.

"In this connection I believe it has to be stressed that our overall social commitment to carry out the reform cannot be put in question. We must persist on that. There can be no hesitation or delay along this road. This means that all progressive forces of our society must involve themselves to the maximum and ensure the reform's success. A very significant contribution to that has been made by the FEC which has put forward the bases for the reform of our economic system and several laws pertaining to this area some of which we have already adopted," Novakovic said.

"The delegates of the SFRY Assembly will interpret this act as a stimulus which enhances their own responsibility and the responsibility of the executive organs and other organs at all levels to work more successfully and more efficiently on the implementation of their tasks," Novakovic stressed.

### Yugoslav State Presidency on New Government

*LD3012172788 Belgrade TANJUG in English*
*1620 GMT 30 Dec 88*

["pool" item]

[Text] Belgrade, December 30 (TANJUG)—The basic criterion in choosing a new Yugoslav federal premier and members of a new federal government will be consistent commitment to the economic reform, which implies consistent respect for the market laws, the Yugoslav State Presidency underscored at its session in Belgrade today.

After collectively resigning today, outgoing Federal Premier Branko Mikulic and his government will remain in office until a new federal government is elected.

The Yugoslav State Presidency announced today that a candidate or candidates for the federal premier designate will be known on January 12, when a session of the Socialist Alliance Federal Conference will be held. The final choice of the federal premier designate is, under the federal constitution, up to the Socialist Alliance Federal Conference.

The Yugoslav State Presidency today had a preliminary discussion on instituting and carrying out, together with the Socialist Alliance Federal Conference, the proceedings for proposing a candidate or candidates for the federal premier-designate.

In the composition of the new federal government the nationality make up will not be taken into account as the provision on the nationality make up is not included in the constitutional amendments adopted at the end of last November. However, equal representation of the six constituent republics and two autonomous provinces will be taken into consideration.

The Yugoslav State Presidency proposes candidates for the premier of Yugoslavia. The premier-elect proposes members of the government. The Federal Assembly confirms the premier and the government members.

### Slovene Commentary on FEC Resignation

*AU3012215388 Ljubljana Domestic Service*
*in Slovene 1430 GMT 30 Dec 88*

[Drago Balezic commentary]

[Text] This, then, is the end of speculations, rumors, as well as slanders. The FEC under Branko Mikulic is the first that resigned since the war and in this way probably introduced a significant quality change in the organization and working of the Yugoslav state. It was not so long ago that some people were aghast at the very thought of the federal government resigning or that anybody might demand its resignation, but it is obvious that lately only the government itself was shocked by such a thought, although Branko Mikulic himself said in his explanation of his resignation that such a step is nothing unusual in a democratic society and cannot be so. Immediately afterwards he said that the government in our country is not a conventional government, which could mean that its fall under our conditions is something unusual.

It is to be expected and hoped that such an event will no longer be so unusual in the future, for it is only once that something happens for the first time. Probably it will be shown that a change of government is no catastrophe.

The Italians changed several dozen governments in a few decades, and they are nevertheless one of the economically strongest states in the world. The catastrophe lies actually in the fact that this was the first time a Yugoslav government resigned, and that the decision on its resigning or not resigning was not made only on the basis of its work and its program.

If anything, Mikulic's FEC should have resigned at the end of last year or in May this year at the latest. It is true that the failure of economic policy ultimately does count, but the decisive point was that the government has lost its support in the political structure from which its premier has come. Precisely this structure has left Mikulic in the lurch now. It sacrificed him to preserve its own skin, which is also obvious from the statement by the SFRY Presidency.

The failures of Mikulic's government's economic policy have obviously become too dangerous even for those who are otherwise untouchable. We may think of a number of other possibilities that are more or less probable, but precisely the fall of Mikulic's government that lasted a year should definitely break the illusion that it is possible to succeed with a divide-and-rule policy over a long term, and that it is possible to stay on simply with political rhetoric and no results.

Both those who have now dropped their support of Mikulic and the person who will replace him should be aware of this.

### Radio Comments on FEC Resignation

*AU3012213488 Belgrade Domestic Service*
*in Serbo-Croatian 1800 GMT 30 Dec 88*

[Djordje Vlajic commentary "On the FEC Resignation"]

[Text] Well, what has been talked about very frequently for months among the public at home and also by the foreign media which has not been idle, has happened. The FEC has submitted its resignation, and the SFRY Assembly delegates have adopted this resignation without debate.

It is possible at this moment to make all sorts of analyses of the unfinished term of Mikulic's cabinet. A predominant subject of these discussions may be the economic policy and the specific measures that the FEC took since 16 May 1986. However, there is much reason for an analysis of the political consequences, and undoubtedly also of the circumstances in which the government that has now tendered its resignation has been acting.

Without any pretension of embracing all the facts without leaving anything out, here are some that may be considered the key building stones in the edifice of the first government in post-war history that left the scene before its term had run out.

In May 1986—let us remember the events a few years ago—we were horrified by the, at that time, unthinkably high rate of inflation of 84 percent. Four years of Milka Planinc's government's term of office did not bring any success in combating the inflation that almost trebled from about 30 percent that had been sufferable under the Yugoslav conditions.

However, this period—and this will be inscribed as one of Milka Planinc's merits in the chronicles of the Yugoslav Governments—will be remembered by the fact that Milka Planinc headed a cabinet that conveyed to the Yugoslavs the bitter truth about foreign debt. Perhaps because of the inertia of the desire for a better life, the warnings that the very fact of revealing the foreign debt is not enough were ignored. Branko Mikulic, a resolute man, was welcomed as the man who would assume the burden and would certainly bridle the inflation.

Through the inertia of the economic life imposed on the state, the new cabinet put the prices on ice, but in practice the prediction applies that in a situation when the inflationary whirlwind does not stop, such measures can bring only the opposite result of that which is desired. Inflation increased relentlessly, above all as the overall indicator of all the ills of economic—and one may also say social—life in our country.

Be it as it may, invoking the Long-Term Economic Stabilization Program and the stances of some preceding party gatherings, the FEC firmly clutched the administrative stick and resolutely waved it. And so it went until it collided with an inability to repay foreign debts.

The economy was simply losing its bearings. Instead of increasing production, prices were pushed up and everybody sold his goods as well as his portion of inflation to everybody else. The negotiations with the IMF were then started on rescheduling the debt that had already been rescheduled to a great extent. Words like economic laws and the market began to enter the jargon of public speakers.

One embarked on drafting a blueprint for the reform of an economy that was mainly incapable of entering world trade. Honor should be paid to frequent exceptions that only confirm the rule. And so it went until today when the FEC tendered its resignation at the moment when two basic reform laws were in force, it may be said: the law on the plan and the law on enterprises that were adopted yesterday by the SFRY Assembly Federal Chamber.

Why then has the government fallen, if one may say so? To put it most simply, because nobody was satisfied with its effects: the people, the economy, or the politicians. The people were dissatisfied because of the falling standard of living and the accelerating gallop of the prices; the economy was dissatisfied with the government that makes incomplete programs and introduces them piecemeal; and the politicians were dissatisfied because the economy and the people were dissatisfied, as well as because of the incessant compromises of the FEC with the republican and provincial economies.

Branko Mikulic and his cabinet, although they have tendered their resignation, will carry on their business for a month or 2, at most for 6 months, until a new FEC is elected. In explaining his resignation, Mikulic could be blamed for not showing a sufficiently critical attitude toward the actual effects of the FEC. A continuity of the reform and economic policy was announced. One may say that under our conditions, it will be difficult for the new government to select new bearings for its work.

Raif Dizdarevic, president of the SFRY Presidency, during his conversation with the highest Belgrade leaders, drew attention to this: There is no alternative to reform, he said. It is the SFRY Presidency that will select the premier-designate. It is also not realistic to expect a significant turnabout because the process of democratizing social relations has only been begun. No alternative has been offered at this moment.

All in all, at the end of 1988, the Yugoslavs are able to experience a government resignation for the first time in the developments since the war. At the same time, one may say that there is an almost tangible feeling that no radical changes will be provoked in any sector of Yugoslav policy. One may say that the government has gone, but the policy has remained. Life will tell how good this direction is.

## DELO Comments on Mikulic, FEC Resignation

*LD3112143488 Belgrade TANJUG Domestic Service in Serbo-Croatian 1037 GMT 31 Dec 88*

[Text] Ljubljana, 31 Dec (TANJUG)—"The fall of Branko Mikulic is not only the ignominious end of an initially brilliant and ultimately tragic political career, but also a crucial event in the Yugoslav crisis, "Drago Buvac writes in today's DELO in connection with the resignation of the FEC.

"Mikulic's fall should presage the demise of the political system and practice through which he was able to constantly rise and then remain in for 2 and ½ years as the head of a government which implemented an entirely abortive economic policy," DELO wrotes.

The commentary goes on to pose the question of "how the government, which in everybody's eyes was constantly losing battles, was able to vegetate for so long, even to the extent of replacing its incompetence by political and bureaucratic arrogance." The answer lies perhaps, in the author's view, "in Mikulic's political training and stamina. He knew well how to hide behind his republic. He also skillfully played the role of the protector of the interests of the financially bankrupt republics and Kosovo. He curried favor with individual parts of the working class or of the Army structure. He was against a purely liberalistic market, exploitation, and monopolies and favored a unified Yugoslav market. He saw the main failings of his economic policy in the autonomy of the republics and provinces. Mikulic was in fact the best offspring of the politocratic structure which thrust him upward back in 1985 and then tried to preserve him."

Drago Buvac believes that "Branko Mikulic could only be saved by the success of his economic policy, in particular by reducing inflation, something, however, in which he was not able to succeed."

In conclusion there is a brief reference to the criterion for the election of the new premier. This must be, DELO stresses, "a personality and mandator qualified to the greatest possible extent in terms of expertise and economics, who has a proven market orientation and who would freely put together his expert team, and with them engage in the struggle against our greatest economic problem—inflation." The author does not once use the term resignation in the whole of his commentary.

## Dizdarevic Addresses Belgrade Assembly

*LD2912190988 Belgrade TANJUG Domestic Service in Serbo-Croatian 1433 GMT 29 Dec 88*

[Excerpts] Belgrade, 29 Dec (TANJUG)—Economic policy in 1988 has not produced the expected results, and we must involve ourselves in halting and curbing inflation, reviving the economy, taking the burden off it, and in stabilizing our international economic relations. These are some of the tasks, the implementation of which represents a condition for the success of the reforms we have opted for. This was stressed by SFRY Presidency President Raif Dizdarevic, during his visit today to the Belgrade Assembly, and his talks with officials of the capital, which were attended also by Petar Gracanin, president of the Presidency of the SR of Serbia, Desimir Jeftic, president of the Executive Council of the SR of Serbia, and Budimir Loncar, federal secretary for foreign affairs. [passage omitted] [transmission interrupted: TANJUG part 3 not received]

Analyzing the situation in the Republic, Dizdarevic said that the SFRY Presidency is ready for the Constitution of the SR of Serbia to be adopted as rapidly as possible, and for relations, which have been lacking in substance, and from which the problems stemmed, to be regulated. In this way the problem of the constitutionality of Serbia would be regulated once and for all, something which would contribute to the stability of the country.

Here Dizdarevic recalled that we have finally emerged from the phase of convincing each other that Kosovo is the problem, and that it is time to evaluate in concrete terms how individual people are performing their duties. In conclusion, the president of the Presidency spoke about the importance of the nonaligned summit in Belgrade, and stressed that our capital lives in the recollections of the world not only as a place where the first summit was held, but also for the ideas emanating from it while President Tito lived here. Dizdarevic stressed that Yugoslavia and our city have received great recognition and a great opportunity. In this way our friends expressed confidence in us and the belief that Yugoslavia will over come its difficulties. [passage omitted]

## Dizdarevic on Assembly Reforms Reluctance

*AU2912202888 Belgrade Domestic Service in Serbo-Croatian 1800 GMT 29 Dec 88*

[Text] The next report tells about the events in the SFRY Assembly and the consequences of the hesitation in adopting the systemic laws necessary for the implementation of the economic reform. Raif Dizdarevic, president of the SFRY Presidency, spoke about this during his visit to the Belgrade City Assembly. Olivera Stajic reports:

Difficulties and lack of comprehension have appeared at the threshold of our entry into the economic reform as a precondition for the way out of the crisis. Everybody thinks that the changes ensure everything necessary. This has been shown by the discussion in the SFRY Assembly on the economic policy instruments for the next year. Commenting on the decision by the Federal Chamber delegates not to discuss certain key systemic laws, Raif Dizdarevic said:

[Begin Dizdarevic recording] We are now in a situation where we do not move either forward or backward. Yesterday we had a Presidency session late into the night, together with comrades from all the federal organs, trying to find a solution, for if we get deadlocked in some such questions now, at the very beginning, we will make things impossible.

Let me not cite other problems, but if you please, last night when we analyzed what stage we have reached in the harmonization of views on economic policy instruments and decisions for next year, it appeared that we, as the country's Presidency, should adopt more provisional measures this year, or rather for the next year, than we adopted in several years in the past. Are we, comrades, going to enter into the reform with some coercive measures? Is the reform like a receivership, or is it something else? [end recording]

There is no abandoning the reform, Raif Dizdarevic explicitly said, and therefore everybody should be aware of his responsibility for its implementation.

### Assemblies View Policies for 1989

AU2912202488 [Editorial Report] Belgrade BORBA in Serbo-Croatian on 28 December on page 3 carries several reports on the republican and provincial assemblies discussing economic policies for 1989.

According to a 400-word report by D. Sverko and S. Popovic, the "delegates of the Serbian Assembly today adopted the draft resolution on the socioeconomic development of the republic for next year with a packet of accompanying measures. The assembly also discussed the proposed federal documents but, because of the amount of work (more than 50 issues are on the agenda), the assembly will have to continue its discussion tomorrow. Discussions will be held on the business performance of the Smederevo Steel Works, on how to relieve the economy, work stoppages, the price of electricity, and so forth."

The report also states that during their discussion on "the proposed Federal documents, the delegates authorized their delegation in the SFRY Assembly to carry on the bargaining process concerning four bills: the bill on the size of the Federal budget for 1989; the income of the federation for the needs of the economy; Federal funds; and the provision of the Federal funds for the technological development of the country in 1989. The delegation cannot express its approval without previously consulting its assembly. It is known that Serbia is against the introduction of new burdens that would be higher than the rate of increase in the social product next year."

During the delegates' discussion "Ljubisa Petrovic, delegate of the Associated Labor Chamber, who conveyed the message of the workers from Rakovica, proposed that the Serbian Assembly launch a procedure to recall the FEC and its president. On behalf of the workers he said among other things that next year personal incomes must be linked to inflation."

According to a 500-word report by S. V. and Lj. M., the "delegates of all three chambers of the Montenegrin Assembly officially endorsed two proposed economic policy measures concerning Yugoslavia and Montenegro. The support was expressed with reservation because, as the delegates pointed out, the Federal Government did not, above all, guarantee the realization of some major tasks in the course of next year.

"The essence lies in the fact that what the FEC has offered is not an anti-inflation policy, and in the fact that the FEC is not geared to conduct this policy and check inflation," Spasoje Medenica said. "In fact," Medenica added, "it cannot be seen how the galloping price increases will be stopped next year, how prices will be slowed down. In addition, there are no proper forecasts as to what could happen next year." The delegates basically accepted this assessment because, as it was pointed out, although an increase in production is envisaged (1.5 percent), it is obvious from the proposed program of measures that this is not realistic."

According to a 600-word report by M. Lucic and P. Nikocevic, "at separate sessions, the delegates of the Bosnian Assembly approved the report on the first round of bargaining in the SFRY Assembly and authorized the Bosnia delegation to, if possible, accept the FEC's new package of systemic measures."

According to 500-word report by B. Gulan, the delegates of the Vojvodina Assembly adopted the program of economic policy measures for next year according to which "social product should rise at a rate of 4 percent, industrial production 1 percent, agricultural production 11.1 percent, exports 5.5 percent, productivity 1.6 percent, employment in the social sector and the standard of living 0.9 percent, and capital investments 2.8 percent."

The report also states that the "delegates of the Vojvodina Assembly authorized their delegation in the SFRY Assembly to continue the process of harmonizing stands, objections, and proposals concerning draft systemic laws."

In his 400-word report on the Macedonian Assembly session, N.B. says that "at their separate sessions the delegates of the Macedonian Assembly authorized their delegation in the SFRY Assembly to accept the laws on economic policies for next year proposed by the FEC despite a number of serious objections with which support to the proposed federal acts was conditioned."

According to a 500-word report by R. Barjaktarevic, the delegates of the Kosovo Assembly did not approve the FEC's proposal for additional funds for financing social and other posts in Kosovo because the funds are smaller than what was envisaged by the law on additional funds for undeveloped republics and provinces.

The delegates also rejected the FEC's additional amendments to the draft law on redress of a part of interest rates on loans for agricultural purposes.

"As far as other acts and laws are concerned, the Kosovo Executive Council and the Kosovo Assembly support them in full."

According to a 600-word report by G. Gojak and R. Vujatovic, "having heard the report on the course of the discussion on harmonizing acts which are under the jurisdiction of the Chamber of Republics and Provinces, the delegates of all three chambers of the Croatian Assembly approved only about a dozen bills which refer to the plans and development of the country next year. This means that the 'green light' now exists for half of the bills—the 'green light' was previously (at the beginning of this month) given to only four bills—envisaged to be adopted by the end of this year.

"Among the bills that have not been accepted by the republican assembly is the one on the Federal budget. Although it had already been amended, the budget was again rejected despite the fact that this creates a possibility of the federal budget being adopted only as a provisional bill. Although some changes and reductions in expenditure have already been made, the assembly nevertheless concluded that the bulk of the expenditure for 1989 is not synchronized with the real rate of increase in social product. The delegation of the Croatian trade unions was most direct when it informed the assembly in writing—a special explanation was also submitted to the Sociopolitical Chamber—about the decision of the Croatian Trade Union Organization to launch an initiative on a vote of confidence in the FEC.

"This initiative proceeds from the FEC's failure to carry out the measures of the economic and development policy and the inadequate preparation of systemic laws needed for the reform of the economic system. The Council of the Croatian Trade Unions Organizations points out that in its mandate so far the FEC has often proposed inadequate measures which did not correspond to the real conditions for conducting business activities and that this had led to unfavorable results which it then tried to correct, again with hasty and too frequent changes in the legislation, putting the economy in a dependent position. This was manifested through an increase in the dissatisfaction of the workers class and numerous strikes.

"The Trade Unions Organization is of the opinion that during the preparations and formulation of the reform laws, the FEC's policy was such that it excluded the workers and the widest strata of the working people from these preparations. With its policy and the existence of an extraordinary situation the FEC prevented them from participating in the decisionmaking on essential questions concerning their own fate and the fate of their communities. The survival of any forum, including the FEC, is not and cannot be as important as satisfactory preparations and the good quality of the basic solutions to the future reform, the statement of the trade unions points out."

## Protest Responsibility Demanded From Kosovo

*LD2912190288 Belgrade TANJUG Domestic Service in Serbo-Croatian 1708 GMT 29 Dec 88*

[Text] Belgrade, 29 Dec (TANJUG)—The Federal Chamber of the SFRY Assembly called on the Kosovo Assembly to establish the responsibility of the competent organs that were surprised by the recent mass protests and demonstrations by citizens of Albanian nationality. "According to these organs and the officials who are in charge of their work, concrete measures of responsibility should be taken," it is stressed in the conclusions on the security situation in Kosovo that were adopted this evening by the Federal Chamber of the SFRY Assembly.

The Federal Chamber maintains that the SFRY Presidency should also judge, in keeping with its constitutional status, the way in which constitutionality and legality in Kosovo are being realized. It is necessary that the SFRY Presidency also judge the capability and performance of federal organs concerning the stabilization of the security situation in Kosovo, it is stated in the conclusions.

## Milosevic Sees Need for 'Big Cadre Renewal'

*LD3112145388 Belgrade TANJUG in English 1356 GMT 31 Dec 88*

[Text] Belgrade, December 31, (TANJUG)—Serbia and the other federal units will best contribute to the construction of a modern, strong and thriving Yugoslavia by eliminating the policy based on personal and group interests and establishing one that is based on economic and political justice, Serbian League of Communists Central Committee Presidency President Slobodan Milosevic has said.

In an interview to the Belgrade daily VECERNJE NOVOSTI, Milosevic said Yugoslavia's six republics and two autonomous provinces should struggle for a society without economic exploitation, without political hierarchy, national intolerance or cultural isolation.

Milosevic believes that in order to break the stagnation, Yugoslavia needs a big cadre renewal, which must begin from the top, together with a program of economic, political and cultural changes. The economic changes should secure a higher productivity and standard, the political the functioning of a modern, efficient, socialist democratic state, and the cultural a free development of science, education and art.

If the right necessary changes are made, it will be more than mere reform. A reform means the repair of the existing, and we should not mend or repair anything, but develop Yugoslavia on the basis of the positive heritage of the revolution and the new trends imposed by the modern world and experience, Milosevic said.

Milosevic believes that there is a conflict between those forces which are for reform and those which are for a status quo, which find political and bureaucratic self-will, and the protection of national interests and monopolies agreeable.

Milosevic said the battle for the reform must be won by directly linking commodity production and self-management. This creates the possibility for workers and firms to become rich on the basis of their own labour, undertakings and creativity. The number of those who are for the reform wil be increased very quickly if such a determination persists, Milosevic said.

Milosevic said the Yugoslav party is not attractive to the young because it has not prospered for quite some time, and the areas that it has abandoned have been filled in by others. He believes we should not be concerned because religion is on the offensive, but because the party is on the defensive,

Regarding the situation in Kosovo, Milosevic said he was an optimist despite the November demonstrations by ethnic Albanian separatists. There is no force which can stop the liquidation of the consequences of the counter-revolution in Kosovo, he said.

## Distribution of Student Paper Blocked

*LD3112150488 Belgrade TANJUG Domestic Service in Serbo-Croatian 1353 GMT 31 Dec 88*

[Text] Sarajevo, 31 Dec (TANJUG)—Amir Salihagic, the higher public prosecutor in Sarajevo, today temporarily banned the distribution of the 2 January edition No 6 of the university youth paper VALTER. The paper has been banned because of the New Year's greeting which is made in an immoral and indecent way, which offends the sensibilities of all the citizens of Yugoslavia, and is an insult to the reputation of the SFRY. In other words, as the explanation says, public morals are (?offended) and harm is caused to the upbringing of children and young people. The order concerning the ban was issued to Enver Causevic the editor of the paper, the socialist Youth Federation at Sarajevo University, and the Oslobodjenje printing works, to the effect that the distribution of the above-mentioned issue of VALTER be suspended, pending the adoption of a legally valid decision. The republican secretary for internal affairs has been ordered to confiscate all copies of the paper on a temporary basis.

## Hope Expressed for New 'Political Creations'

*AU2912190888 Ljubljana MLADINA in Slovene 16 Dec 88 pp 16-17*

[Igor Mekina article: "Social Democrats Want To Get Into Parliament"]

[Text] The latest political events in Slovenia are increasingly and surely turning into an extremely interesting stage that is historic in a way. Although it is difficult to assert at this moment that the sails of the new victorious political parties can already be seen on the political horizon, some recent events increasingly confirm the thesis that at least formal party pluralism may occur in Slovenia shortly. This is confirmed by the more and more intensive preparations for the founding of the Slovene Democratic Union [Slovenska demokraticna zveza] as well as the initiatives for a simultaneous founding of the Social Democratic Union of Slovenia [Socialdemokratska zveza Slovenije]. The two organizations are not to be confused, although their aims are roughly identical: advocacy of a parliamentary system, competition of political ideas, and free and direct elections. The difference between the two organizations is at this moment merely hypothetical; according to the ideas of the initiators of the two future organizations, the former, i.e. the Slovene Democratic Union, should be merely a platform for all democratically thinking intellectuals, organizations, and independent associations and movements. It should serve to establish a framework within which it would be possible to act politically; it is interested above all in a change in the political system, along with the affirmation of all other values and affiliations that have been neglected until now. It would be left to freely organized parties to strive directly for political power, and to seize the state apparatus with political actors representing the fundamental program theses announced. One of these, not necessarily the least, could of course be the Social Democratic Union of Slovenia, provided of course that it sets itself up on the principles of a political party....

The program theses of the two emerging organizations known so far do not allow such a strict distinction, for we may read in the sixth program thesis of the Slovene Democratic Union, for instance, that the Slovene Democratic Union will "propose and support its candidates in political contest," which is also the aim of the Social Democratic Union of Slovenia....

We would need more data to be able to draw a somewhat more consistent line between the two organizations. It will be necessary at least to wait for the founding meeting of the social democrats, who on Ljubljana University conference premises daily discuss their place in the political system that has long ruled out any such discussion....

At least two dangers threaten the newly emerging political creations. Because of political compromise it may easily happen that we will soon be richer by two quite new political interest groups, which will not request power even in their program foundations and which will not wish to expose themselves as political parties. If one or more political parties were to be formally founded, they would be immediately pushed into the absurd position of a political interest group, despite their programs.... It is precisely for this reason that one is surprised by the hesitant titles by which these political groups present themselves as mere "unions" [zveze]. Is this a concession to the ruling LC? Do the members of these unions with their tepid titles wish to renounce in advance the aim that they formally pursue, parliamentarism and a multi-party system, in which the party is merely a part of a political reality and not only a loose union of like-minded people?

It is to be hoped that this is not so and that at least one of the two emerging organizations will try, after monism lasting more than 40 years, at least formally to go beyond the threshold of bombast and opposition talk and, in a legal vacuum, proclaim itself a party on the basis of its own program and membership. Parliamentarism certainly cannot be established in a way that allows entry into history through the side entrance of socialism....

Certainly all the initiatives than have become known so far cannot be assessed negatively. Even if the consequence of these initiatives would be the establishment of organizations which would press political demands on the authorities without having an opportunity to strive for power, this alone would mean a significant and particular logical step forward.

Such an organization would enable a more consistent articulation of political interests and would constitute a peculiar "pressure group" to the extent that it could, morally and in some other ways, sanction the negative and the positive steps of the authorities....

Certainly this step forward could not threaten the power of our most progressive and only party even accidentally, just as the even formally permitted political parties in some East European countries cannot endanger similar fraternal parties in those countries. Because of SAWP patronage over the election procedure and because of indirect elections, the power of the local LC is safe and untouchable for a number of years to come. This is why one is surprised at the furious commentaries by party soothsayers who tell their people fairy tales on television and paint the devil blacker than he really is. In fact he is of a different color...

### Council of Federation Member Comments on Work

*AU2912172288 Belgrade BORBA in Serbo-Croatian 28 Dec 88 p 1*

[Unattributed report: "What Purpose Does the Council of the Federation Serve?"]

[Text] On the occasion of the proposal that 39 members of the Council of the Federation be reelected, as well as the fact that Amendment 42 envisages that this high advisory body should be abolished on 1 January 1991, we have contacted Svetozar Vukmanovic-Tempo, member of the Council of the Federation and one of the people on the list for reelection in the SFRY Presidency's proposal. This is how Tempo, who is in Rezevici, commented on the whole affair during our telephone conversation:

"By looking at my membership card I see that my membership in the Council of the Federation expires soon. Considering the provision in the amended Constitution according to which the Council of the Federation will be abolished, I thought that my membership was definitely going to expire. What you tell me about the proposal to reelect me to the Council of the Federation is completely new to me. Nobody has consulted me about that."

By the way, Tempo continues, I really cannot see what purpose the Council of the Federation serves. We met for the last time almost a year ago. When we hold our sessions they make us hold them behind closed doors and they criticize us for allegedly harsh criticism of the situation in society and the policy conducted in the country. I really think that somebody is bothered by the existence of the Council of the Federation and I do not know why.

I think that the Council of the Federation should be completely dissolved because it does not have any function and it fails to perform its duties. This would be the gist of what I think about this so-called advisory body. I would not like to resign from the Council of the Federation for these reasons now only because I would not like a fuss to be created and unnecessary stories to be told.

### 69.2 Percent Electricity Price Hike in Serbia

*LD2912194288 Belgrade TANJUG Domestic Service in Serbo-Croatian 1834 GMT 29 Dec 88*

[Summary] Belgrade, 29 Dec (TANJUG)—The workers council of the integrated electric power industry of Belgrade adopted a decision at today's session to increase the prices of electricity for consumers of Serbia proper by 69.2 percent from 5 January. The main reason for this move is a high inflation rate and an increasing gap between the prices of industrial products and the prices of electricity. The Belgrade electricity board also endorsed a series of concessions and discounts for its consumers with low incomes and for organizations in the sphere of culture, education, and health.

### Inflation Reaches 228.9 Percent

*AU0101134289 Belgrade BORBA in Serbo-Croatian 26 Dec 88 p 1*

[TANJUG report: "Inflation 228.9 Percent"]

[Text] Belgrade, 24 Dec (TANJUG)—Inflation, by measuring the growth in retail prices in November compared with the same month last year, is at 228.9 percent. This was stated in the FEC's reply to the question posed recently by the delegate Jovica Jovanovski at the session of the Yugoslav Assembly Federal Chamber. The largest annual rate of increase in inflation was in the prices for industrial and food products (259 percent) and services (247 percent). The prices of industrial and food products rose in this period by 217 percent, and of semi-finished products by 211 percent [figures as published].

### TU Council Sends 'Demand' to SFRY Assembly

*LD3012223788 Belgrade TANUG Domestic Service in Serbo-Croatian 1224 GMT 30 Dec 88*

[Excerpt] Belgrade, 30 Dec (TANJUG)—The Presidium of the Yugoslav Trade Unions Council sent a demand to the SFRY Assembly to reconsider current economic policy measures, assess their impact on the growth of prices and inflation, and to remove mechanisms which have inflationary effects, and which are burdening business activity expenses and jeopardizing living standards of workers and citizens. This demand follows on from the stances of the Yugoslav Trade Unions Council adopted on 13 December 1988. [passage omitted]

### Vojvodina TU Protests High Electricity Prices

*LD3112161388 Belgrade TANJUG Domestic Service in Serbo-Croatian 1111 GMT 31 Dec 88*

[Text] Novi Sad, 31 Dec (TANJUG)—The Presidium of the Council of the Vojvodina Trade Union Federation (SSV) has sent an energetic protest to the competent organs, from the province to the federation, because of the announced incomprehensible increase in electricity prices.

Attention is drawn to the fact that the announced higher electricity prices have already provoked the disapproval and condemnation of working people and citizens in Vojvodina. This is illustrated by the sharp protests of workers and citizens in municipal councils and in the city and provincial council of the SSV and also in organisations of the SAWP.

It is stressed that this rise in the price of electricity runs counter to the demands of the Vojvodina trade unions for urgent measures to take the strain off the economy and improve the material position of employees. There was a discussion about this, too, at a session of the Vojvodina Assembly on 27 December, the Presidium of the Council of the SSV recalls in its energetic protest.

### FEC Rules Out Electricity, Bread Price Hikes

*LD3012232688 Belgrade TANJUG Domestic Service in Serbo-Croatian 1052 GMT 30 Dec 88*

[Excerpt] Belgrade, 30 Dec (TANJUG)—The FEC has decided not to allow the announced increase in prices of electricity, rail, post, telegraph, and telephone services, as stated by today's session of the Committee for Market and Prices of the SFRY Assembly's Chamber of Republics and Provinces.

At the beginning of the next year prices of mixed white flour bread and milk will not go up as the committee decided today that the law on compensations, on basis of which subsidies for these articles were paid, is valid for the first 2 months of 1989. [passage omitted]

### Federal Chamber 29 Dec Session Begins

*LD2912171488 Belgrade TANJUG Domestic Service in Serbo-Croatian 1611 GMT 29 Dec 88*

[Text] Belgrade, 29 Dec (TANJUG)—The Yugoslav Assembly's Federal Chamber began its session at 1630 today with a debate on the proposal for a law on social planning. This morning there were consultations on amendments to the law concerning this regulation in the working bodies of this chamber of the Assembly.

The planning law is one of the package of systemic laws facilitating the transition to market-based business operations.

### Enterprises Law Adopted

*LD2912223188 Belgrade TANJUG Domestic Service in Serbo-Croatian 2030 GMT 29 Dec 88*

[Text] Belgrade, 29 Dec (TANJUG)—This evening the Federal Chamber of the SFRY Assembly adopted, with only three delegates abstaining from voting, the Enterprises Law, which is the key regulation for the begining and implementation of the economic reform. Adoption of the law was accompanied by delegates' applause, which best presents their attitude toward the first step toward the market economy.

Enterprises are by the law the basic and independent economic subject. According to types of property there is provision for the creation of different forms of enterprises, social, mixed and private. Cooperatives will be regulated by a special law.

The law grants enterprises the freedom to organize themselves internally and to link themselves.

The end of 1991 is the deadline for collectives to restructure themselves in accordance with regulations of the enterprises law.

Today's session of the Federal Chamber has ended with the adoption of the Enterprises Law. The session continues tomorrow when it considers the proposed federal budget for next year.

### Planning Law Adopted

*LD2912202388 Belgrade TANJUG Domestic Service in Serbo-Croatian 1853 GMT 29 Dec 88*

[Text] Belgrade, 29 Dec (TANJUG)—Delegates in the SFRY Assembly Federal Chamber adopted this evening the Planning Law, which is of the utmost importance for the beginning and successful implementation of economic reform.

The new law, in accordance with market economic activities, envisages the obligation to plan. However, enterprises would not have to adopt a plan as a separate document. The obligation to plan remains for sociopolitical communities, major systems—electricity production, rail, post, telegraph, and telephone services—and activities in the wider public interest.

Following the adoption of the Planning Law the obligation to adopt an annual resolution on the country's development ceases. Harmonization of this resolution has been long and painstaking in past years, and there was usually no special benefit from that document.

### Chamber of Republics Approves Investment Law

*LD3012205288 Belgrade TANJUG Domestic Service in Serbo-Croatian 1055 GMT 30 Dec 88*

[Text] Belgrade, 30 Dec (TANJUG)—Today the Chamber of Republics and Provinces adopted the Law on Foreign Investment which opens the door for foreigners to invest without deadline in practically all economic and social activities. In addition to foreign currency, equipment and dinars acquired through buying off and conversion of our debt can also be their investment.

For the first time foreigners are equal in rights, responsibilities, and status with domestic investors on the Yugoslav market.

### Chamber Dismisses Official

*LD3012211488 Belgrade TANJUG Domestic Service in Serbo-Croatian 1150 GMT 30 Dec 88*

[Text] Belgrade, 30 Dec (TANJUG)—Today the session of the SFRY Assembly Chamber of Republics and Provinces dismissed Dr Ivica Lovric, vice president of the Federal Committee for Labour and Social Policy. Mr Mato Pacek from Bosnia-Hercegovina is elected to this post.

The Chamber elected Rajko Nisovic from Montenegro to the post of the judge of the Federal Court.

### Chamber Rejects Presidency Proposal

*LD3012212188 Belgrade TANJUG Domestic Service in Serbo-Croatian 1131 GMT 30 Dec 88*

[Text] Belgrade, 30 Dec (TANJUG)—Today the Chamber of Republics and Provinces did not accept the SFRY Presidency's proposal for reelection of 39 members of the Council of Federation. This proposal was also rejected by the Federal Chamber of the Yugoslav Assembly.

According to the constitutional amendments the Council of Federation should be abolished by 1991. Thus, the decision by the Chambers has virtually started "a slow extinction" of the Council of Federation.

### International Economic Cooperation Bank Law

*LD3012221088 Belgrade TANJUG Domestic Service in Serbo-Croatian 1238 GMT 30 Dec 88*

[Text] Belgrade, 30 Dec (TANJUG)—Today the Chamber of Republics and Provinces adopted the law on the Yugoslav bank for international economic cooperation which establishes permanent capital and stable credit potentials to stimulate exports.

The foundation fund will be provided for by the investment of the federation, the National Bank of Yugoslavia, commercial banks and enterprises. The fund, according to unofficial estimatees, is between 1,500 and 2,000 billion dinars, which should enable the bank to follow export ambitions of our economy.

### 1989 Credit, Monetary Policy Decided

*LD3012220088 Belgrade TANJUG Domestic Service in Serbo-Croatian 1151 GMT 30 Dec 88*

[Text] Belgrade, 30 Dec (TANJUG)—The basic decision on the credit and monetary policy is also restrictive next year. The decision on aims and tasks of the joint monetary policy and joint basis of the credit policy for next year, which was adopted today at the session of the Chambers of Republics and Provinces, envisages 103 percent growth of the net domestic monetary system aktiv compared with that until 31 December. Application of the means for direct limitation of lending growth by commercial banks is not envisaged.

The National Bank of Yugoslavia will establish the possible growth of its own net domestic aktiv by forecasting the monetary policy.

The decision also establishes that banks pay interest on deposits of 3 or more months in dinars, which is not less than five percent rate per annum. Banks will pay interest on foreign currency deposits and citizens' saving accounts according to the rate of inflation prevailing in the currency issuing country.

### More on Chamber Conclusions on Kosovo

*LD2912212988 Belgrade TANJUG in English 2010 GMT 29 Dec 88*

[Text] Belgrade, Dec 29 (TANJUG)—The Federal Chamber of Yugoslav parliament today brought the Federal Secretariat for Internal Affairs under obligation to submit its soonest possible report on who were the inspirers and organizers of the Albanians' demonstrations in the Province of Kosovo last November, and what were the steps undertaken against them.

In the five closing days of November, as many as a hundred thousand people at a time had taken part in some of the demonstrations in several towns in the Province of Kosovo.

The conclusions adopted today concerning the southern province in the composition of the Republic of Serbia burdened by the activity of Albanian separtists, describe as very complex the security situation in Kosovo.

In warning about its still further aggravation "with heavy security and political consequences," the Assembly Chamber called for an energetic and unified action to stabilize the situation, re-establish inter-nationality confidence, and prevent any further separatist indoctrination of albanian youths.

The Federal Secretariat for Internal Affairs took an obligation to engage itself within constitutional powers still more on suppressing the activities of separatists and on discovering organizers of the counter-revolution.

The federal government was obliged to deliver by the end of next march to parliament an assessment of the work of the competent organs as regards ensuring the constitutionality and lawfulness in Kosovo.

The government was also brought under obligation to secure strict application of the regulations on the movement, sojourn, and employment of refugees from Albania and to prevent their illegal acquisition and uses of real property in Kosovo.

## Official Expelled From Bosnia-Hercegovina LC

*AU2912174488 Belgrade BORBA in Serbo-Croatian 27 Dec 88 p 1*

[Unattributed report: "Todo Kurtovic Expelled From the Party"]

[Text] Sarajevo, 26 Dec—Assessing the accountability of its members who were involved in illegal activities concerning loans for the building of villas in Neum, the basic LC organization of the Council of Bosnia-Hercegovina expelled Todo Kurtovic from the LC today. Kurtovic used to be a top republican and federal official and a member of the Council of the Federation.

Of the 73 members of the Council's court of comrades, 72 voted for the pronouncement of the harshest party measure against Todo Kurtovic, while one member was against (Desa Kostan).

The Council's court of comrades was almost unanimous in passing the measure of a comradely criticism against Danica Kurtovic (wife of Todo Kurtovic) and Pera Jelicic. The members of the basic LC organization of the Council of Bosnia-Hercegovina supported, with one vote against (Bosko Baskot), the assessment of the court of comrades according to which there is no grounds for establishing the ideopolitical accountability of Nedzo Parezan. The discussion on the accountability of General Mirko Vranic and Hazim Hadzic was postponed due to health reasons.

These decisions were preceded by a report by Jure Galic, president of the court of comrades, on the procedure for establishing the accountability of these four members of the basic LC organization of the council of the republic who were named in connection with the Neum affair, and a long and fierce discussion on Todo Kurtovic's sins. At times the discussion digressed from the "topic of the day" and broached all deviations that had taken place in society over a long period of time.

Having stressed the importance of the tasks in front of the court of comrades, which consisted of Marinko Stojinic, Stana Knezevic, Ekrem Duric, and Vlado Malinovic, especially in view of the complex "time in which we live," Jure Galic said that the difficulty of the job was somewhat alleviated by state organs which had previously completed their part of their job. He also said the following:

The problem of private building in Neum has been present for a long time and has disturbed our public. This problem has in many ways become an obvious example of the gross abuse of power because of greed on the part of bureaucratized individuals and even groups over a long period of time. Unfortunately, many LC members, even entire sections of the leaderships, be it party or state leaderships, took part in it. This has resulted in damaging consequences, and the LC has in turn suffered political and moral damage.

## Bosnia-Hercegovina LC CC Elects New Members

*LD2812221988 Belgrade TANJUG Domestic Service in Serbo-Croatian 1151 GMT 28 Dec 88*

[Summary] Sarajevo, 28 Dec (TANJUG)—The Bosnia-Hercegovina LC Central Committee today pronounced measures of ideo-political responsibility on five of its members for the construction of villas in Neum. These are Alija Latic, Kazimir Jelcic (warnings and expulsion from Bosnia-Hercegovina LC Central Committee membership), Jerko Bradvica, Izet Brkovic, (warnings), and Presidium Member Nedeljko Mandic (criticism).

"The LC also elected 22 out of the proposed 32 candidates as new members of the Bosnia-Hercegovina LC Central Committee and thus completed the renewal in keeping with cadre policy. The elected members are: Ljilja Jovicic; Ivanka Ibrahimpasic; Jozo Dumancic; Nadja Pasic; Nada Mladina; Umihama Sofic; Besim Ceric; Dragutin Basovic; Osman Hadzic; Zija Dizdarevic; Amir Dzubur; Hamdo Barucija; Dragan Kovacevic; Branko Pejanovic; Emeho Basic; Hamdija Caluk; Karlo Filipovic; Zoran Josic; Krstan Malesevic; Nikola Rozic; Zoran Salcic; and Sejfudin Kopacic.

"At today's session 17 members of the Bosnia-Hercegovina LC Central Committee were in favor of a secret ballot on confidence in the Bosnia-Hercegovina LC Central Committee. However, the majority were against this.

"Six members were elected to the Bosnia-Hercegovina LC Central Committee Presidium to replace Milan Skoro, Jerko Bradvica, Seid Maglajlija, Nenad Guzina, Nedeljko Mandic, and Alija Isakovic, in keeping with the cadre renewal of party organs.

"The renewed Central Committee voted for the following Central Committee members to become members of the Presidium: Meho Basic; Smajo Baslija; Bogic Bogicevic; Desimir Medjovic; Dzevad Tasic; and Miomira

Tausan. Smajo Alagic; Karlo Filipovic; Dragan Kovacevic; Kemal Ramic; and Ismet Travancic failed to obtain a sufficient number of votes.

"The Bosnia-Hercegovina LC Central Committee Presidium now consists of 13 members: Abdulah Mutapcic (president); Ivan Cvitkovic (secretary); Smiljka Milojevic; Milan Uzelac; Nijaz Durakovic; Saban Kevric; Zivko Grubor; Meho Basic; Smajo Beslija; Bogic Bogicevic; Desimir Medjovic; Dzevad Tasic; and Miomira Tausan.

"The renewal of the Bosnia-Hercegovina LC Central committee and its Presidium was carried out at the session of this body, but it still remains to be seen how the party and broader public will accept the ideo-political measures pronounced on the participants of the Neum affair."

## Kosovo Press Comments on Albanian Migration

*AU2912142188 Pristina RILINDJA in Albanian 26 Dec 88 p 6*

[Z. Celaj commentary: "Say Whatever You Like About Kosovo!"]

[Text] At the meeting of the LCY Central Committee Presidium that examined the political and security situation in the SR of Macedonia, Jakov Lazarevski, president of the LC Central Committee Presidium of this republic, in illustration of his assertions about the incessant activity of Albanian nationalism and separatism, mentioned among other things the high birthrate of this nationality and the further additions to their numbers through migration from Kosovo to Macedonia. To support this, he said that "Between 1971 and 1981, 21,245 Albanians migrated from the Socialist Autonomous Province [SAP] of Kosovo to Macedonia, while 5,600 migrated from Macedonia to the SAP of Kosovo. Yesterday we heard data from the Serbian Presidency that 400-500 Albanians leave Kosovo for Macedonia every year..."

These figures can indeed be found in statistical reports made since the last census in March 1981, but they refer to a period more than four times as long, from 1940 until 1981. Within the period mentioned by Lazarevski, 4,802 persons migrated from Kosovo to Macedonia. None of these figures state whether these persons were all Albanians, Turks, or "Turks" for whom the door was once open to emigrate for ever from Skopje to the wastes of Anatolia, or whether they were other people in search of work, particularly after the earthquake that struck the city in 1963. During the decade under discussion, 2,818 persons came from Macedonia to Kosovo. This is stated in the communique of the Federal Statistical Institute in Belgrade, issued on 3 February 1984. From this statement that "Now we hear data from the Serbian Presidency that 400-500 Albanians are leaving Kosovo for Macedonia every year..." it seems that either Serbia knows Macedonia's business better that Macedonia itself, or it is a matter of the "unprincipled coalition!"

It is true that the balance of migration between Kosovo and Macedonia is a negative one for Kosovo (-15,645 persons), but Macedonia also has a negative balance of migration in relation to other parts of the country. Between 1940 and the most recent census in 1981, 63,326 persons migrated to Serbia and Vojvodina alone (no doubt they were Serbs). According to statistical data in Macedonia, 11,157 fewer persons came to Macedonia than left for other republics and provinces.

One fact is now beyond dispute: In the last decade, the flow of migration between Macedonia and Kosovo has been stronger in the direction of Kosovo, and this has occurred, definitely not because of better material conditions, but because of restrictions placed on certain fundamental national rights of the Albanian and Turkish nationalities in this republic, principally in secondary and higher education, in the equal use of languages in public life and the administration, on the development of cultural traditions, and also because of discrimination in employment. According to the 1981 census, there were 444,358 persons employed in Macedonia, of whom 367,948 (82.8 percent) were Macedonians, only 29,935 (6.7 percent) Albanians, and 10,214 (2.3 percent) Turks, while, according to the same census, the ethnic composition of the republic was comprised of 19.8 percent Albanians, 4.5 percent Turks, and 67 percent Macedonians.

It is not only the officials of the SR of Macedonia who seem to be more worried by the annual migration of 400-500 Albanians to Macedonia than by the 17,000 Albanians and Romany Gypsies, Yugoslav citizens, who sought political asylum in the FRG alone during the first 9 months of this year, thus bringing to fruition the plans of prewar Yugoslavia. Such plans are also furthered by the proposal of Milos Laban, delegate to the Serbian Assembly, to expel from Yugoslavia the Albanians who took part in the 1981 demonstrations, and what he called the demonstrations of November this year, as well as to reach an agreement with Romania "to make possible the emigration of our national minorities from that country, and to settle them in the communes of Bujanovac, Presevo, lMedvedje, and in ethnically pure communes in Kosovo." Unfortunately, nobody contested this thoroughly chauvinistic proposal. It seems that you can say whatever you like about Kosovo, and nobody will argue with you!

As for the assertions about the number of Albanians who have migrated from Kosovo to Macedonia, it seems incredible to us that those who made them were ill-informed. We have heard assertions from this republic before with figures inflated many times over, merely to arouse a feeling of danger from the Albanians, and hatred toward them, among the Macedonian public and beyond, something which is against the Constitution of this republic. This will support the question raised by Dr Stipe Suvar, president of the LCY Central Committee Presidium, at the meeting of this forum examining the political and security situation in Macedonia: "I would like to know whether there are signs of Macedonian nationalism." He answered this question himself by saying, "It seems to me that there are," since those who should have answered it did not do so, even out of courtesy, let alone out of a sense of party discipline.

This remark by the leading figure in the LCY, to which the new formulation of an article in the Constitution of the SR of Macedonia no longer mentioning the Albanians and Turks in the context of the Macedonian state also lends support, aroused hope among progressive forces among the nationalities that certain forms of destruction would not be passed over in silence. It should be added that unnecessarily dramatizing or imagining problems such as the migration of Albanians from Kosovo to Macedonia does not help stabilize the situation in this province and beyond, and is even in flagrant opposition to the party standpoints for overcoming the crisis that have been adopted at the highest levels. This leads to deeper distrust, the arousal of hatred and revanchism against the Albanians, and the homogenization of the Albanians themselves. The nationalists and separatists want nothing else.

## Grubisic Speaks on Economy, Defense

*AU2412190788 Belgrade NARODNA ARMIJA in Serbo-Croatian 15 Dec 88 p 5*

[Br. Miletic report on speech by Bozidar Grubisic, member of the LCY Organization in the Yugoslav People's Army, at the 19th session of the LCY Central Committee held in Belgrade on 12 December: "Economic Reform and the Defense of the Country"]

[Text] After he had stressed at the beginning of his speech that a way out of the crisis in which our society finds itself means making a direct contribution to the strengthening of the defense capability of the country and vice versa—that the strengthening of defense is a prerequisite for the peaceful development of Yugoslavia, Bozidar Grubisic continued by saying:

"Even in these unfavorable conditions which have arisen over the last few years, our system of all-people's defense has developed successfully and has proved its efficiency in practice. This has particularly been shown through its preventive function during all crises concerning our country. We should not lose sight of the fact that in such a concept of defensive organization which is based on the total human and material potential of the country, the Armed Forces, and primarily the Yugoslav People's Army [YPA] as its spearhead and most mobile part, have a special place and role.

"The question of the attitude of communists and even of this Central Committee toward defense under the conditions of the economic and overall social crisis can be asked. Looked at realistically, the crisis and the defense of every system are directly interdependent. The greater the crisis, the greater the necessity for strengthening defensive mechanisms, as regards the effect of external as well as internal factors which make the system unstable. The crisis situation can be overcome only by that organism that has vital defensive mechanisms. Therefore, it is surprising to ask questions about the tasks of the YPA and its dealing with the conditions in which it would carry out its tasks.

### Investment in Defense Should Not Be Below the Lower Limit of Necessity

"At the same time, we should not lose sight of the fact that objectively speaking, the depth of the economic crisis reduces the opportunities for investment in defense, as well as in other social functions. The basic question is how much must and can be provided in such a situation to satisfy defense needs. In this connection, there are also questions of how much should be allocated for the YPA in this economic situation.

"These are asked in some communities in an unprincipled and malicious way. That is, the idea is put forward that a considerable burden would be lifted from the economy by further reducing resources for the financing of the YPA and this would contribute to the reform of the economy. This idea even goes as far as creating the impression that the Army is to blame for the fact that the country has gotten into an economic crisis. This also does not take into consideration that a large number of countries increase their military budgets and strengthen the quality of their armed forces while only announcing their reduction. We neglect the fact that resources for financing the Army have been constantly reduced for more than 10 years and in parallel with this, the burden on the economy and inflation have increased and the social crisis has been heightened.

"It is certain that every society which cares about the survival and progress of the country will allocate the necessary amount of resources for its defense. Because of this, we also should not allow problems in economic development and the economic crisis to bring the question of investment in defense to a level below which we should not go if we do not want to bring into question the most necessary needs of defense and the protection of social achievements and the freedom of each one of our citizens.

"Because of this, communists and the other members of the Army are sure that the workers class and our people, regardless of all the economic and other problems with which they are faced, will not allow the capability of the Armed Forces to fall to a level which would not guarantee successful defense. We are aware that man is the most significant factor of defense but looked at realistically, without the appropriate material base he is not able to meet all the demands of the modern way of waging an armed struggle and war. Therefore, we should not nurture the illusion that it is only enough in itself that we have decided on the concept of all-people's defense, because without armed forces which are organized, trained, and armed in a modern way, it is not possible to successfully oppose the armed forces of aggressors which have modern equipment and their contemporary doctrines.

**Internal Reserves Are Demanded in the Army**

"The problems which the YPA faces are quite well known. These were discussed at the 17th and 18th sessions of the LCY Central Committee. They partly emerge from our objective situation which is characterized by the economic crisis, but also from various attacks on and malicious attitudes toward the Army and the unity of the country's defense as a whole. You are aware that questions are constantly asked and discussions initiated to the effect that the YPA should share the fate of the economy and society, that it should reexamine its expenditure, that such an economy cannot bear this burden, and so on. It is normal that in the present difficult conditions one should reexamine all forms of spending and reduce them to the lowest possible level, but once this socially acceptable level that has been established in such a way has been reached, it should then be adhered to and everything should be done to realize it.

"The instability of economic trends and the dysfunctioning of the unified market have caused difficulties in providing the YPA with goods and services under conditions that are uniform on the whole of Yugoslav territory.

"The YPA Communists are aware of the serious economic situation in which our country finds itself. In line with such an awareness, we have taken several measures which were available to us for overcoming the present situation. The basic aim was for us to achieve the priority aims established in YPA developmental plans through the setting up of internal reserves and through the saving, rationalization, and economical use of resources. In order to put such a wide front of tasks into practice, we had to first proceed by improving organization because we were aware that our greatest reserves lie in this field and in the use of existing potential....

"However, all this is not enough if an essential turnaround is not made in the direction of economic and total social reform which will ensure that an increase in production and in overall economic possibilities is achieved. Therefore, Communists in the Army give support to the proposed reform of the economic system.

"Along with this support, the Communists and members of the Army will, in carrying out their duties, undertake everything to adapt all business operations to the new conditions," said Bozidar Grubisic, among other things.

## PRC's Qian Qichen To Visit SFRY 4-6 Jan

*LD2812170788 Belgrade TANJUG Domestic Service in Serbo-Croatian 1453 GMT 28 Dec 88*

[Text] Belgrade, 28 Dec (TANJUG)—At the invitation of Budimir Loncar, federal secretary for foreign affairs, Qian Qichen, PRC foreign minister and member of the CPC Central Committee, will pay an official friendly visit to the SFRY from 4 to 6 January 1989.

## Orlandic Receives BCP's Balev for Talks

*LD2812155188 Belgrade TANJUG Domestic Service in Serbo-Croatian 1247 GMT 28 Dec 88*

[Text] Sofia, 28 Dec (TANJUG)—Marko Orlandic, member of the LCY Central Committee Presidium, last night had talks with Milko Balev, member of the BCP Politburo and chairman of the BCP Central Committee Foreign Policy Commission.

The agenda included the situation in the present-day world, tendencies in the international workers' movement, and the activities of the LCY and the BCP on the international scene.

A high level of agreement was reached during the talks and special emphasis placed on the need for progressive forces to intensify their efforts in searching for nondogmatic answers to many new issues.

## Dizdarevic Message of Thanks to Ceausescu

*AU2712184988 Bucharest SCINTEIA in Romanian 21 Dec 88 p 5*

[Message of thanks from Raif Dizdarevic, president of the SFRY Presidency, to Romanian President Nicolae Ceausescu]

[Text] To Comrade Nicolae Ceausescu, president of the Socialist Republic of Romania

Esteemed Comrade Ceausescu: I want to express cordial thanks for the congratulations and good wishes you extended on the national holiday of the SFRY.

Conveying, in turn, best wishes for happiness and prosperity to you and the friendly Romanian people, I want to take this opportunity to express satisfaction at our meeting that will take place soon and that, I am sure, will give a fresh impetus to successfully developing relations of friendship and good neighborliness, as well as ever broader cooperation between our two countries.

Raif Dizdarevic, president of the SFRY Presidency